

CHAPTER 179

**STATE AND LOCAL GOVERNMENT
FINANCIAL AND REGULATORY MATTERS —
APPROPRIATIONS AND MISCELLANEOUS CHANGES**

S.F. 478

†**AN ACT** relating to state and local finances by providing for funding of property tax credits and reimbursements, by making, increasing, and reducing appropriations, providing for salaries and compensation of state employees, providing for matters relating to tax credits, providing for fees and penalties, and providing for properly related matters and including effective date and retroactive and other applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

**DIVISION I
MH/MR/DD SERVICES ALLOWED
GROWTH FUNDING — FY 2010-2011**

Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH APPROPRIATION AND ALLOCATIONS — FISCAL YEAR 2010-2011.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2010, and ending June 30, 2011, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment for fiscal year 2010-2011:

..... \$ 62,157,491

2. The amount appropriated in this section shall be allocated as provided in a later enactment of the general assembly.

**DIVISION II
STANDING APPROPRIATIONS
AND RELATED MATTERS**

Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2010-2011.

1. For the budget process applicable to the fiscal year beginning July 1, 2010, on or before October 1, 2009, in lieu of the information specified in section 8.23, subsection 1, unnumbered paragraph 1, and paragraph “a”, all departments and establishments of the government shall transmit to the director of the department of management, on blanks to be furnished by the director, estimates of their expenditure requirements, including every proposed expenditure, for the ensuing fiscal year, together with supporting data and explanations as called for by the director of the department of management after consultation with the legislative services agency.

2. The estimates of expenditure requirements shall be in a form specified by the director of the department of management, and the expenditure requirements shall include all proposed expenditures and shall be prioritized by program or the results to be achieved. The estimates shall be accompanied by performance measures for evaluating the effectiveness of the programs or results.

Sec. 3. GENERAL ASSEMBLY.

1. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2009, and ending June 30, 2010, are reduced by the following amount:

..... \$ 4,439,653

† Estimate of additional local revenue expenditures required by state mandate on file with the Secretary of State

2. The budgeted amounts for the general assembly for the fiscal year beginning July 1, 2009, may be adjusted to reflect unexpended budgeted amounts from the previous fiscal year.

Sec. 4. LIMITATION OF STANDING APPROPRIATIONS. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the amounts appropriated from the general fund of the state pursuant to these sections for the following designated purposes shall not exceed the following amounts:

1. For payment for nonpublic school transportation under section 285.2:	\$ 7,845,479
.....	
If total approved claims for reimbursement for nonpublic school pupil transportation exceed the amount appropriated in accordance with this subsection, the department of education shall prorate the amount of each approved claim.	
2. For the state's share of the cost of the peace officers' retirement benefits under section 411.20:	\$ 2,503,510
.....	
3. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph "e", subparagraph (1):	\$ 452,783
.....	
4. For regional tourism marketing under section 99F.11, subsection 3, paragraph "e", subparagraph (2):	\$ 957,809
.....	
5. For the Iowa power fund under section 469.10, subsection 1:	\$ 20,000,000
.....	
6. For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:	\$ 21,768
.....	
7. For the center for congenital and inherited disorders central registry under section 144.13A, subsection 4, paragraph "a":	\$ 182,044
.....	
8. For primary and secondary child abuse prevention programs under section 144.13A, subsection 4, paragraph "a":	\$ 217,772
.....	
9. For programs for at-risk children under section 279.51:	\$ 11,493,891
.....	
The amount of any reduction in this subsection shall be prorated among the programs specified in section 279.51, subsection 1, paragraphs "a", "b", and "c".	

Sec. 5. INSTRUCTIONAL SUPPORT STATE AID. Notwithstanding the standing appropriation provided under section 257.20, an appropriation from the general fund of the state to the department of education for the fiscal year beginning July 1, 2009, and ending June 30, 2010, shall not be made for purposes of paying instructional support state aid.

Sec. 6. VETERANS HOME MEDICAL CLINIC. Of moneys received on or after July 1, 2008, by the Iowa veterans home from the federal government relating to the costs to improve and renovate a medical clinic at the home in a previous fiscal year, the first \$727,000 shall be credited to the general fund of the state on or after July 1, 2009.

Sec. 7. FEDERAL ECONOMIC STIMULUS AND JOBS HOLDING ACCOUNT.

1. Any unobligated moneys in the federal economic stimulus and jobs holding account on July 1, 2009, shall be transferred to the general fund of the state on July 1, 2009.

2. Unobligated moneys in the federal economic stimulus and jobs holding account on the effective date of this section shall not be obligated after the effective date of this section.

3. This section shall not apply to moneys appropriated from the federal economic stimulus and jobs holding account in 2009 Iowa Acts, Senate File 469,¹ if enacted.

¹ Chapter 176 herein

Sec. 8. IOWA MATHEMATICS AND SCIENCE COALITION. For the fiscal year beginning July 1, 2009, the university of northern Iowa shall maintain the efforts of the Iowa mathematics and science coalition that were initiated pursuant to section 294A.25, subsection 11, Code 2009.

Sec. 9. PROPERTY TAX CREDIT FUND — PAYMENTS IN LIEU OF GENERAL FUND RE-IMBURSEMENT.

1. a. A property tax credit fund shall be created in the office of the treasurer of state to be used for the purposes of this section.

b. There is appropriated from the general fund of the state to the property tax credit fund created in paragraph “a” for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of \$101,395,597.

c. Notwithstanding the requirements in section 8.56, subsections 3 and 4, there is appropriated from the cash reserve fund to the property tax credit fund created in paragraph “a” for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of \$54,684,481.

d. Notwithstanding section 8.33, the surplus existing in the property tax credit fund created pursuant to 2008 Iowa Acts, chapter 1191, section 5, at the conclusion of the fiscal year beginning July 1, 2008, and ending June 30, 2009, is transferred to the property tax credit fund created in paragraph “a”.

2. There is appropriated from the property tax credit fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amounts for the following designated purposes:

a. For reimbursement for the homestead property tax credit under section 425.1:	\$ 100,658,781
b. For reimbursement for the family farm and agricultural land tax credits under sections 425A.1 and 426.1:	\$ 34,610,183
c. For reimbursement for the military service tax credit under section 426A.1A:	\$ 2,400,000
d. For implementing the elderly and disabled tax credit and reimbursement pursuant to sections 425.16 through 425.39:	\$ 22,200,000

If the director of revenue determines that the amount of claims for credit for property taxes due pursuant to paragraphs “a”, “b”, “c”, and “d”, plus the amount of claims for reimbursement for rent constituting property taxes paid which are to be paid during the fiscal year may exceed the total amount appropriated, the director shall estimate the percentage of the credits and reimbursements which will be funded by the appropriation. The county treasurer shall notify the director of the amount of property tax credits claimed by June 8, 2009. The director shall estimate the percentage of the property tax credits and rent reimbursement claims that will be funded by the appropriation and notify the county treasurer of the percentage estimate by June 15, 2009. The estimated percentage shall be used in computing for each claim the amount of property tax credit and reimbursement for rent constituting property taxes paid for that fiscal year. If the director overestimates the percentage of funding, claims for reimbursement for rent constituting property taxes paid shall be paid until they can no longer be paid at the estimated percentage of funding. Rent reimbursement claims filed after that point in time shall receive priority and shall be paid in the following fiscal year.

Sec. 10. PERFORMANCE OF DUTY. There is appropriated from the cash reserve fund created in section 8.56 to the executive council for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For performance of duty by the executive council in sections 7D.29 and 29C.20:	\$ 25,600,000
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The funding from the appropriation made in this section shall be utilized before any funding from the general fund of the state.

Sec. 11. GENERAL FUND. There is appropriated from the cash reserve fund created in section 8.56 to the general fund of the state for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount:

..... \$ 65,000,000

The moneys appropriated in this section shall not be considered new revenues under section 8.54 for purposes of the state general fund expenditure limitation.

Sec. 12. CASH RESERVE FUND APPROPRIATIONS. Section 8.56, subsections 3 and 4, shall not apply to any appropriation made in this division of this Act from the cash reserve fund created in section 8.56.

Sec. 13. CASH RESERVE FUND APPROPRIATION FOR FISCAL YEAR 2009-2010. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the appropriation to the cash reserve fund provided in section 8.57, subsection 1, paragraph "a", shall not be made.

Sec. 14. Section 331.660, Code 2009, is repealed.

Sec. 15. EFFECTIVE DATES.

1. The section of this division of this Act creating the property tax credit fund, being deemed of immediate importance, takes effect upon enactment.

2. The section of this division of this Act transferring moneys from the federal economic stimulus and jobs holding account, being deemed of immediate importance, takes effect upon enactment.

Sec. 16. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY. The section of this division of this Act providing for crediting of certain moneys received by the Iowa veterans home to the general fund of the state, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to July 1, 2008, and is applicable on and after that date.

DIVISION III SALARIES, COMPENSATION, AND RELATED MATTERS

Sec. 17. APPOINTED STATE OFFICERS.

1. The governor shall establish a salary for appointed nonelected persons in the executive branch of state government holding a position enumerated in and within the salary ranges provided in 2008 Iowa Acts, chapter 1191, section 14, by considering, among other items, the experience of the individual in the position, changes in the duties of the position, the incumbent's performance of assigned duties, and subordinates' salaries. However, the attorney general shall establish the salary for the consumer advocate, the chief justice of the supreme court shall establish the salary for the state court administrator, the ethics and campaign disclosure board shall establish the salary of the executive director, and the Iowa public broadcasting board shall establish the salary of the administrator of the public broadcasting division of the department of education, each within the salary range provided in 2008 Iowa Acts, chapter 1191, section 14.

2. The governor, in establishing salaries as provided in this section, shall take into consideration other employee benefits which may be provided for an individual including but not limited to housing.

3. A person whose salary is established pursuant to this section and who is a full-time, year-round employee of the state shall not receive any other remuneration from the state or from any other source for the performance of that person's duties unless the additional remuneration is first approved by the governor or authorized by law. However, this provision does not exclude the reimbursement for necessary travel and expenses incurred in the performance of duties or fringe benefits normally provided to employees of the state.

Sec. 18. COLLECTIVE BARGAINING AGREEMENTS FUNDED. The various state departments, boards, commissions, councils, and agencies, including the state board of regents, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, shall provide from avail-

able sources pay adjustments, expense reimbursements, and related benefits to fully fund the following:

1. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.
2. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the public safety bargaining unit.
3. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit.
4. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the technical bargaining unit.
5. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit.
6. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the clerical bargaining unit.
7. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional social services bargaining unit.
8. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the community-based corrections bargaining unit.
9. The collective bargaining agreements negotiated pursuant to chapter 20 for employees in the judicial branch of government bargaining units.
10. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the patient care bargaining unit.
11. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the science bargaining unit.
12. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the university of northern Iowa faculty bargaining unit.
13. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa graduate student bargaining unit.
14. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa hospital and clinics tertiary health care bargaining unit.
15. The annual pay adjustments, related benefits, and expense reimbursements referred to in the sections of this division of this Act addressing noncontract state and state board of regents employees who are not covered by a collective bargaining agreement.

Sec. 19. NONCONTRACT STATE EMPLOYEES — GENERAL.

1. For the fiscal year beginning July 1, 2009:
 - a. The maximum and minimum salary levels of all pay plans provided for in section 8A.413, subsection 3, as they exist for the fiscal year ending June 30, 2009, shall not increase.
 - b. Employees may receive a step increase or the equivalent of a step increase.
 - c. The pay plan for noncontract judicial branch employees shall not be increased.
 - d. The pay plans for state employees who are exempt from chapter 8A, subchapter IV, and who are included in the department of administrative services' centralized payroll system shall not be increased, and any additional changes in any executive branch pay plans shall be approved by the governor.
2. This section does not apply to members of the general assembly, board members, commission members, persons whose salaries are set by the general assembly pursuant to this Act or are set by the governor, or other persons designated in the section of this division of this Act addressing appointed state officers, employees designated under section 8A.412, subsection 5, and employees covered by 11 IAC 53.6(3).
3. The pay plans for the bargaining eligible employees of the state shall not be increased, and any additional changes in such executive branch pay plans shall be approved by the governor. As used in this section, "bargaining eligible employee" means an employee who is eligible to organize under chapter 20, but has not done so.
4. The policies for implementation of this section shall be approved by the governor.

Sec. 20. STATE EMPLOYEES — STATE BOARD OF REGENTS. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, funds shall be provided from available sources of the state board of regents for funding of collective bargaining agreements for state board of regents employees covered by such agreements and for the following state board of regents employees not covered by a collective bargaining agreement:

1. Regents merit system employees and merit supervisory employees.
2. Faculty members and professional and scientific employees.

**Sec. 21. DEPARTMENT OF ADMINISTRATIVE SERVICES — JOB EVALUATION AND CLASSIFICATION STUDY.*

1. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the department of administrative services shall conduct a job evaluation study of state employees for the purpose of determining whether the job classification and pay grade level of selected state employees are properly determined.

*2. In conducting the study, the department shall provide a job evaluation questionnaire to a randomly selected sample of state employees within particular job classifications. The department shall examine each questionnaire and determine, based upon an evaluation system established by the department, whether the particular state employee is properly classified and assigned an appropriate pay grade. If the department makes an initial determination that the state employee is improperly classified, the department shall allow the employer of the state employee a reasonable opportunity to respond to the alleged misclassification. If the department makes a final determination that the state employee is misclassified, the department shall direct the employer of the state employee, within fourteen days of the determination by the department, to properly classify the state employee within the proper job classification and pay grade.**

Sec. 22. BONUS PAY. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, employees of the executive branch, judicial branch, and legislative branch shall not receive bonus pay unless otherwise authorized by law, required pursuant to a contract of employment entered into before July 1, 2009, or required pursuant to a collective bargaining agreement. This section does not apply to employees of the state board of regents. For purposes of this section, “bonus pay” means any additional remuneration provided an employee in the form of a bonus, including but not limited to a retention bonus, recruitment bonus, exceptional job performance pay, extraordinary job performance pay, exceptional performance pay, extraordinary duty pay, or extraordinary or special duty pay, and any extra benefit not otherwise provided to other similarly situated employees.

Sec. 23. SPECIAL FUNDS. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, salary adjustments otherwise provided for in this division of this Act may be funded using departmental revolving, trust, or special funds for which the general assembly has established an operating budget, provided doing so does not exceed the operating budget established by the general assembly.

Sec. 24. FEDERAL FUNDS APPROPRIATED. For the fiscal year beginning July 1, 2009, all federal grants to and the federal receipts of the agencies affected by this division of this Act which are received and may be expended for purposes of this division of this Act are appropriated for those purposes and as set forth in the federal grants or receipts.

Sec. 25. STATE TROOPER MEAL ALLOWANCE. For the fiscal year beginning July 1, 2009, the sworn peace officers in the department of public safety who are not covered by a collective bargaining agreement negotiated pursuant to chapter 20 shall receive the same per diem meal allowance as the sworn peace officers in the department of public safety who are covered by a collective bargaining agreement negotiated pursuant to chapter 20.

Sec. 26. SALARY MODEL ADMINISTRATOR. The salary model administrator shall work

* Item veto; see message at end of the Act

in conjunction with the legislative services agency to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The department of revenue, the department of administrative services, the five institutions under the jurisdiction of the state board of regents, the judicial district departments of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative services agency to operate the state's salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative services agency. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

Sec. 27. Section 8A.402, subsection 2, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. (1) (a) Consult with the department of management and discuss and collaborate with executive branch agencies to implement and maintain a policy for increasing the aggregate ratio in the number of employees per supervisor in executive branch agencies to be fourteen employees for one supervisor. For purposes of determining the effects of the policy on the state employee workforce, the base date of July 1, 2008, shall be used and the target date for full implementation shall be July 1, 2011.

(b) The policy shall allow appropriation units with twenty-eight or fewer full-time equivalent employee positions to apply for an exception to the policy through the executive council.

(c) Before any reduction in supervisory layers is implemented as a result of this paragraph "g", the department shall notify the legislative fiscal committee of the legislative council regarding the proposed reduction. The notification shall include a list of the positions and employment responsibilities to be eliminated or reduced, a list of activities to be eliminated or reduced, and an estimate of the savings expected to result from the elimination or reduction. The legislative fiscal committee shall report to the legislative council concerning the notifications received.

(d) The department shall present an interim report to the governor and general assembly on or before April 1, 2010, and a final report on or before April 1, 2011, detailing the effects of the policy on the composition of the workforce, cost savings, government efficiency, and outcomes.

(e) The policy developed pursuant to this paragraph "g" shall not encompass employees under the state board of regents, the department of human services, or a judicial district department of correctional services. However, the department of administrative services shall work with the state board of regents, the department of human services, and the judicial district departments of correctional services to advance the policy as a goal for the supervisory staff of these units of state government.

(2) Evaluate the state's systems for job classification of executive branch employees in order to ensure the existence of technical skill-based career paths for such employees which do not depend upon an employee gaining supervisory responsibility for advancement, and which provide incentives for such employees to broaden their knowledge and skill base. The evaluation shall include but is not limited to options for eliminating obsolete, duplicative, or unnecessary job classifications. The department shall present interim reports to the general assembly on or before January 15, 2010, and January 14, 2011, concerning the department's progress in completing the evaluation and associated outcomes.

**(3) In implementing this paragraph "g", give priority to elimination or reduction of middle management employee positions. In addition, prior to the elimination of employee positions other than middle management positions or positions eliminated due to early retirement, priority shall be given to elimination or deferral by executive branch agencies of purchases and out-of-state travel. The department of management shall report quarterly to the legislative fiscal*

* Item veto; see message at end of the Act

committee of the legislative council and to the legislative services agency regarding out-of-state travel authorized by executive branch agencies including a listing by agency of personnel authorized to travel, and the cost and purpose of the travel authorized.*

Sec. 28. 2009 Iowa Acts, Senate File 475,² section 21, if enacted, is amended to read as follows:

~~SEC. 21. SUPERVISOR AND EMPLOYEE RATIO. The department of administrative services and the executive branch agencies receiving appropriations in this Act shall pursue a goal of achieving a ratio of fourteen employees per supervisor in such agencies, by December 31, 2009.~~

DIVISION IV CORRECTIVE PROVISIONS

Sec. 29. Section 8.57, subsection 6, paragraph e, subparagraphs (2) and (3), if enacted by 2009 Iowa Acts, Senate File 376,³ are amended by striking the subparagraphs and inserting in lieu thereof the following:

(2) If the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a fiscal year is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 2A.

~~(2) (3) If After the deposit of moneys directed to be deposited in the general fund of the state and the revenue bonds debt service fund as provided in subparagraph (1), subparagraph division (a), if the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a fiscal year is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.~~

Sec. 30. Section 12.90C, subsection 2, paragraph a, if enacted by 2009 Iowa Acts, Senate File 477,⁴ is amended to read as follows:

3.⁵ The net proceeds of bonds issued pursuant to section 12.90A other than bonds issued for the purpose of refunding such bonds and investment earnings on the net proceeds.

Sec. 31. Section 21.2, subsection 1, paragraph i, if enacted by 2009 Iowa Acts, Senate File 437,⁶ is amended to read as follows:

i. The governing body of a drainage or levy levee district as provided in chapter 468, including a board as defined in section 468.3, regardless of how the district is organized.

Sec. 32. Section 22.1, subsection 1, as amended by 2009 Iowa Acts, Senate File 437,⁷ if enacted, is amended to read as follows:

1. The term "government body" means this state, or any county, city, township, school corporation, political subdivision, tax-supported district, nonprofit corporation other than a fair conducting a fair event as provided in chapter 174, whose facilities or indebtedness are supported in whole or in part with property tax revenue and which is licensed to conduct parimutuel wagering pursuant to chapter 99D; the governing body of a drainage or levy levee district as provided in chapter 468, including a board as defined in section 468.3, regardless of how the district is organized; or other entity of this state, or any branch, department, board, bureau, commission, council, committee, official, or officer of any of the foregoing or any employee delegated the responsibility for implementing the requirements of this chapter.

* Item veto; see message at end of the Act

² Chapter 178 herein

³ Chapter 173, §26 herein

⁴ Chapter 174, §3 herein

⁵ According to enrolled Act; the letter "a." probably intended

⁶ Chapter 132, §1 herein

⁷ Chapter 132, §2 herein

Sec. 33. Section 80D.3, subsection 3, paragraph b, if enacted by 2009 Iowa Acts, House File 762,⁸ section 1, is amended to read as follows:

b. A person appointed to serve as a reserve peace officer who has met the one-hundred-fifty-hour training requirement ~~obtained by obtaining training~~ at a community college or other facility selected by the individual and approved by the law enforcement agency prior to July 1, 2007, shall be exempted from completing the minimum training course at the discretion of the appointing authority and shall continue to hold certification with the appointing authority.

Sec. 34. Section 89.3, subsection 5, paragraph a, subparagraph (4), if enacted by 2009 Iowa Acts, House File 720,⁹ section 2, is amended to read as follows:

(4) The owner or user is a participant in good standing in the Iowa occupational safety and health voluntary protection program and ~~have~~ has achieved star status within the program, which is administered by the division of labor in the department of workforce development.

Sec. 35. Section 216A.132A, subsection 5, paragraph i, as enacted by 2009 Iowa Acts, House File 315,¹⁰ section 1, is amended to read as follows:

i. Iowa cooperative extension service in agriculture and home economics.

Sec. 36. Section 321A.1, subsection 3, Code 2009, is amended to read as follows:

3. JUDGMENT. A judgment which has become final by expiration without appeal during the time within which an appeal might have been perfected, or a judgment if an appeal from the judgment has been perfected, which has not been stayed by the execution, filing and approval of a bond as provided in rule of appellate procedure 6-7(1)-6.601(1), or a judgment which has become final by affirmation on appeal, rendered by a court of competent jurisdiction of a state or of the United States, upon a cause of action arising out of the ownership, maintenance, or use of a motor vehicle, as defined in this section, for damages, including damages for care and loss of services, because of bodily injury to or death of a person, or for damages because of injury to or destruction of property, including the loss of use of property, or upon a cause of action on an agreement of settlement for such damages.

Sec. 37. Section 321A.3, subsection 8, paragraph a, subparagraph (1), if enacted by 2009 Iowa Acts, Senate File 374,¹¹ section 1, is amended to read as follows:

(1) A person who purchases a certified abstract of an operating record directly from the department under this section shall only use, sell, disclose, or distribute the abstract or any portion of the abstract one time, for one purpose, and the person shall not supply that abstract or any portion of that abstract to more than one other person. The person shall make a subsequent request for the ~~record or~~ abstract and pay an additional fee for the request in the same manner as provided for the initial request for any subsequent use, sale, disclosure, or distribution of the same certified abstract or any portion of the abstract or to supply the same certified abstract or any portion of the abstract to another person, except as provided in subparagraph (2).

Sec. 38. Section 347.7, subsection 4, paragraph a, if enacted by 2009 Iowa Acts, House File 260,¹² section 5, is amended to read as follows:

a. The tax levy authorized by this section for operation and maintenance of the hospital may be available in whole or in part to any county with or without a county hospital organized under this chapter, to be used to enhance rural health services in the county. However, the tax levied may be expended for enhancement of rural health care services only following a local planning process. The Iowa department of public health shall establish guidelines to be followed by counties in implementing the local planning process which shall require legal notice, public hearings, and a referendum in accordance with this subsection prior to the authorization of

⁸ Chapter 78 herein

⁹ Chapter 94 herein

¹⁰ Chapter 53 herein

¹¹ Chapter 126 herein

¹² Chapter 110 herein

any new levy or a change in the use of a levy. The notice shall describe the new levy or the change in the use of the levy, indicate the date and location of the hearing, and shall be published ~~as at~~ least once each week for two consecutive weeks in a newspaper having general circulation in the county. The hearing shall not take place prior to two weeks after the second publication.

Sec. 39. Section 423.4, subsection 5, paragraph f, Code 2009, as amended by 2009 Iowa Acts, Senate File 322,¹³ section 7, is amended to read as follows:

f. Notwithstanding the state sales tax imposed in section 423.2, a rebate issued pursuant to this section ~~subsection~~ shall not exceed an amount equal to five percent of the sales price of the tangible personal property or services furnished to purchasers at the automobile racetrack facility. Any local option taxes paid and collected shall not be subject to rebate under this subsection.

Sec. 40. Section 533.329, subsection 2, paragraph m, Code 2009, is amended to read as follows:

m. The moneys and credits tax imposed under this section shall be reduced by a redevelopment tax credit allowed under chapter 15, ~~subchapter II~~, part 9.

Sec. 41. Section 533A.2, subsection 2, paragraph h, if enacted by 2009 Iowa Acts, Senate File 311,¹⁴ section 2, is amended to read as follows:

h. A person licensed under chapter 533C, including that person's authorized delegates as defined in section 533C.102, or a person exempt from licensing under section 533C.103, when engaging in money transmission or currency exchange as defined in ~~chapter~~ section 533C.102.

Sec. 42. Section 535D.4A, subsection 1, if enacted by 2009 Iowa Acts, Senate File 355,¹⁵ section 5, is amended to read as follows:

1. A registered mortgage loan originator when acting for an employer described in section 535D.3, subsection 4 ~~12~~.

Sec. 43. Section 535B.7A, as enacted by 2009 Iowa Acts, Senate File 355,¹⁶ section 30, is amended to read as follows:

535B.7A PROHIBITED ACTS.

It is a violation of this chapter for a licensee to engage in any of the prohibited acts or practices in section ~~535D.16~~ 535D.17.

Sec. 44. Section 598.21, subsection 2, Code 2009, as amended by 2009 Iowa Acts, Senate File 288,¹⁷ section 36, is amended to read as follows:

2. **DUTIES OF COUNTY RECORDER.** The county recorder shall record each quitclaim deed or change of title and shall collect the fees ~~fee~~ specified in section 331.507, subsection 2, paragraph "a", and the fee ~~fees~~ specified in section 331.604.

Sec. 45. Section 633A.5107, subsection 5, if enacted by 2009 Iowa Acts, Senate File 320,¹⁸ section 1, is amended to read as follows:

5. For a charitable trust described in subsection 1, created prior to the effective date of this Act and still in existence, the trustee shall register the trust with and submit a current copy of the trust instrument and financial report to the attorney general not later than one hundred thirty-five days after the close of the trust's next fiscal year following the effective date of this Act. The trustee shall comply with the remainder of this ~~Act~~ section as if the charitable trust were created on or after the effective date of this Act.

¹³ Chapter 60 herein

¹⁴ Chapter 34 herein

¹⁵ Chapter 61 herein

¹⁶ Chapter 61 herein

¹⁷ Chapter 27 herein; see also chapter 159, §14 herein

¹⁸ Chapter 35 herein

Sec. 46. Section 637.421, subsection 6, as enacted by 2009 Iowa Acts, Senate File 365,¹⁹ section 12, is amended to read as follows:

6. A trustee shall determine the internal income of each separate fund for the accounting period as if the separate fund were a trust subject to this chapter. Upon request of the surviving spouse, the trustee shall demand that the person administering the separate fund to distribute such internal income to the trust. The trustee shall allocate a payment from the separate fund to income to the extent of the internal income of the separate fund and distribute that amount to the surviving spouse. The trustee shall allocate the balance to principal. Upon request of the surviving spouse, the trustee shall allocate principal to income to the extent the internal income of the separate fund exceeds payments made from the separate fund to the trust during the accounting period.

Sec. 47. Section 915.86, subsections 8 and 12, Code 2009, are amended to read as follows:

8. In the event of a victim's death, reasonable charges incurred for counseling the victim's spouse, children, parents, siblings, or persons cohabiting with or related by blood or affinity to the victim if the counseling services are provided by a psychologist licensed under chapter 154B, a victim counselor as defined in section 915.20A, subsection 1, or an individual holding at least a master's degree in social work or counseling and guidance, and reasonable charges incurred by such persons for medical care counseling provided by a psychiatrist licensed under chapter ~~147 or 150A~~ 148. The allowable charges under this subsection shall not exceed five thousand dollars per person.

12. Reasonable charges incurred for mental health care for secondary victims which include the services provided by a psychologist licensed under chapter 154B, a person holding at least a master's degree in social work, counseling, or a related field, a victim counselor as defined in section 915.20A, or a psychiatrist licensed under chapter ~~147, 148, or 150A~~. The allowable charges under this subsection shall not exceed two thousand dollars per secondary victim.

Sec. 48. 2009 Iowa Acts, Senate File 197,²⁰ section 9, is amended to read as follows:

SEC. 9. APPLICABILITY AND EFFECTIVE DATES. The section of this Act amending section 96.3, subsection 5, applies to any week of unemployment benefits beginning on or after July 5, 2009. The section of this Act amending section 96.4 applies to any new claim of unemployment benefits with an effective date on or after July 5, 2009.

Sec. 49. 2009 Iowa Acts, Senate File 364,²¹ section 17, subsection 5, is amended to read as follows:

5. The section of this Act enacting section 654.4B, subsection 1, and the sections of this Act amending sections 626.81, 654.5, and 654.17 apply to judgments entered on or after the effective date of this Act.

Sec. 50. 2009 Iowa Acts, Senate File 445,²² section 10, amending section 294A.9, subsection 9, if enacted, being deemed of immediate importance, takes effect upon enactment.

Sec. 51. 2009 Iowa Acts, Senate File 446,²³ section 82, is repealed.

Sec. 52. CONTINGENT REPEAL. If 2009 Iowa Acts, Senate File 438,²⁴ is enacted and amends section 235B.2, subsection 5, paragraph "a", subparagraph (3), 2009 Iowa Acts, Senate File 446,²⁵ sections 95 and 96, are repealed.

Sec. 53. EFFECTIVE DATES AND RETROACTIVITY. The section of this division of this

¹⁹ Chapter 52 herein

²⁰ Chapter 22 herein

²¹ Chapter 51 herein

²² Chapter 68 herein

²³ Chapter 41 herein

²⁴ Chapter 107, §1 herein

²⁵ Chapter 41 herein

Act relating to 2009 Iowa Acts, Senate File 445,²⁶ section 10, and amending section 294A.9, subsection 9, being deemed of immediate importance, takes effect upon enactment.

DIVISION V
JUDICIAL BRANCH FEES — APPROPRIATIONS

Sec. 54. Section 602.8105, subsection 1, paragraph a, Code 2009, is amended to read as follows:

a. For ~~Except as otherwise provided in this subsection, for~~ filing and docketing a petition, ~~other than a modification of a dissolution decree to which a written stipulation is attached at the time of filing containing the agreement of the parties to the terms of modification,~~ one hundred ~~eighty-five~~ dollars. In counties having a population of ninety-eight thousand or over, an additional five dollars shall be charged and collected to be known as the journal publication fee and used for the purposes provided for in section 618.13. ~~For multiple adoption petitions filed at the same time by the same petitioner under section 600.3, the filing fee and any court costs for any petition filed in addition to the first petition filed are waived.~~

Sec. 55. Section 602.8105, subsection 1, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. aa. For filing and docketing a petition pursuant to chapter 598 other than a dissolution of marriage petition, one hundred dollars.

Sec. 56. Section 602.8105, subsection 1, paragraph b, Code 2009, is amended to read as follows:

b. For filing and docketing an application for modification of a dissolution decree to which a written stipulation is attached at the time of filing containing the agreement of the parties to the terms of modification, ~~fifty~~ one hundred dollars.

Sec. 57. Section 602.8105, subsection 1, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. cc. For filing and docketing a petition for adoption pursuant to chapter 600, one hundred dollars. For multiple adoption petitions filed at the same time by the same petitioner under section 600.3, the filing fee and any court costs for any petition filed in addition to the first petition filed are waived.

Sec. 58. Section 602.8105, subsection 1, paragraph e, Code 2009, is amended to read as follows:

e. For an appeal from a judgment in small claims or for filing and docketing a writ of error, ~~seventy-five~~ one hundred eighty-five dollars.

Sec. 59. Section 602.8105, subsection 2, paragraphs a, b, c, and d, Code 2009, are amended to read as follows:

a. For filing, entering, and endorsing a mechanic's lien, ~~twenty~~ fifty dollars, and if a suit is brought, the fee is taxable as other costs in the action.

b. For filing and entering any other statutory lien, ~~twenty~~ fifty dollars.

c. For a certificate and seal, ~~ten~~ twenty dollars. However, there shall be no charge for a certificate and seal to an application to procure a pension, bounty, or back pay for a member of the armed services or other person.

d. For certifying a change in title of real estate, ~~twenty~~ fifty dollars.

Sec. 60. Section 602.8105, subsection 2, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. gg. For filing a lis pendens, fifty dollars.

²⁶ Chapter 68 herein

Sec. 61. Section 602.8106, subsection 1, paragraphs b, d, e, and f, Code 2009, are amended to read as follows:

- b. For filing and docketing of a complaint or information for a simple misdemeanor and a complaint or information for a nonscheduled simple misdemeanor under chapter 321, fifty sixty dollars.
- d. The court costs in scheduled violation cases where a court appearance is required, fifty sixty dollars.
- e. For court costs in scheduled violation cases where a court appearance is not required, fifty sixty dollars.
- f. For an appeal of a simple misdemeanor to the district court, fifty seventy-five dollars.

Sec. 62. Section 625.8, subsection 2, Code 2009, is amended to read as follows:
2. The clerk of the district court shall tax as a court cost a fee of ~~fifteen~~ forty dollars per day for the services of a court reporter.

Sec. 63. Section 631.6, subsection 1, paragraph a, Code 2009, is amended to read as follows:
a. Fees for filing and docketing shall be fifty eighty-five dollars.

Sec. 64. Section 633.31, subsection 2, paragraph k, unnumbered paragraph 8, Code 2009, is amended to read as follows:

For each additional \$25,000.00 or major fraction thereof	25.00
	<u>50.00</u>

Sec. 65. Section 911.1, subsection 1, Code 2009, is amended to read as follows:
1. A criminal penalty surcharge shall be levied against law violators as provided in this section. When a court imposes a fine or forfeiture for a violation of state law, or a city or county ordinance, except an ordinance regulating the parking of motor vehicles, the court or the clerk of the district court shall assess an additional penalty in the form of a criminal penalty surcharge equal to ~~thirty-two~~ thirty-five percent of the fine or forfeiture imposed.

Sec. 66. 2009 Iowa Acts, Senate File 472,²⁷ section 1, subsection 1, unnumbered paragraph 2, if enacted, is amended to read as follows:

For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission; receipt and disbursement of child support payments; reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2009; and maintenance, equipment, and miscellaneous purposes:

.....	\$149,184,957
	<u>160,184,957</u>

As a condition of receiving an increase to the appropriation made in this section, the judicial branch shall allocate the first \$5,400,000 of the increased amount as follows: \$4,800,000 for the state's required contribution under section 602.9104 to the judicial retirement fund, \$350,000 for court debt collection, and \$250,000 for judicial officer and court employee travel reimbursement for civil trials.

Sec. 67. JUDICIAL BRANCH. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

²⁷ Chapter 172 herein

For the operations and duties of the judicial branch, and maintenance, equipment, and miscellaneous purposes:

..... \$ 760,000

Sec. 68. DRUG COURT PROGRAMS. In addition to the appropriations in 2009 Iowa Acts, Senate File 475,²⁸ section 5, if enacted, and any other appropriations, there is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amounts, or so much thereof as is necessary, for maintaining drug court programs in each county in which such a program exists as of April 1, 2009, within a judicial district department of correctional services, to be allocated as follows:

1. For the first judicial district department of correctional services:	\$	359,895
.....		
2. For the second judicial district department of correctional services:	\$	252,799
.....		
3. For the third judicial district department of correctional services:	\$	220,856
.....		
4. For the fourth judicial district department of correctional services:	\$	318,752
.....		
5. For the fifth judicial district department of correctional services:	\$	319,582
.....		
6. For the sixth judicial district department of correctional services:	\$	369,486
.....		
7. For the seventh judicial district department of correctional services:	\$	157,173
.....		
8. For the eighth judicial district department of correctional services:	\$	182,066
.....		

It is the intent of the general assembly that each judicial district department of correctional services shall cooperate with and utilize local community-based treatment providers licensed under chapter 125. Each judicial district department of correctional services shall submit a report to the general assembly and to the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system, and the legislative services agency by December 15, 2009, detailing the utilization of drug court funds allocated in this section.

Sec. 69. ADDITIONAL APPROPRIATION — DEPARTMENT OF PUBLIC SAFETY. In addition to the appropriations in 2009 Iowa Acts, Senate File 475,²⁹ section 14, if enacted, and any other appropriations, there is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For performing the duties of the department:

..... \$ 1,576,987

Sec. 70. VICTIM ASSISTANCE GRANTS. In addition to the appropriation in 2009 Iowa Acts, Senate File 475,³⁰ section 1, if enacted, and any other appropriations, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For victim assistance grants:

..... \$ 1,000,000

Sec. 71. FAMILY LAW MEDIATION. Each judicial district is encouraged to implement a family law mediation program pursuant to section 598.7, to encourage the resolution of do-

²⁸ Chapter 178 herein

²⁹ Chapter 178 herein

³⁰ Chapter 178 herein

mestic relations disputes through facilitation of communication and negotiation between parties in reaching voluntary agreements, rather than prolonged judicial, administrative, arbitral, or other adjudicative processes or proceedings. Each judicial district shall report to the supreme court by January 15, 2010, its decision regarding such implementation.

Sec. 72. EFFECTIVE DATES.

1. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

2. Notwithstanding subsection 1, the sections of this division of this Act amending 2009 Iowa Acts, Senate File 472,³¹ section 1, subsection 1, unnumbered paragraph 2, appropriating moneys to the department of corrections for drug court programs, supplementing appropriations to the department of public safety for duties of the department, and supplementing appropriations to the department of justice for victim assistance grants, take effect July 1, 2009.

DIVISION VI
TRANSPORTATION PROVISIONS

Sec. 73. DEPARTMENT OF TRANSPORTATION.

1. There is appropriated from the primary road fund to the department of transportation for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the purchase of salt:
..... \$ 2,271,600

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the designated purpose until the close of the succeeding fiscal year.

Sec. 74. Section 321H.3, subsection 2, Code 2009, as amended by 2009 Acts, Senate File 419,³² if enacted, is amended to read as follows:

2. Dismantling, scrapping, recycling, or salvaging, ~~or obtaining a junking certificate for~~ more than six vehicles subject to registration in a twelve-month period.

Sec. 75. REIMBURSEMENT TO CITY OF MUSCATINE. There is appropriated from the road use tax fund to the department of transportation for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To reimburse the city of Muscatine for costs associated with implementation of section 314.29:
..... \$ 1,072

Sec. 76. PAYMENT OF CEDAR FALLS ASSESSMENT. There is appropriated from the road use tax fund to the department of transportation for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For payment pursuant to section 307.45, to the city of Cedar Falls for improvements to west twenty-third street adjoining university of northern Iowa property:
..... \$ 317,906

Sec. 77. Section 307.45, unnumbered paragraph 4, Code 2009, is amended by striking the unnumbered paragraph.

*Sec. 78. Section 321J.12, subsection 2, paragraph d, Code 2009, is amended to read as follows:

d. A person whose license or privileges have been revoked under subsection 1, paragraph "b", for one year shall not be eligible for any temporary restricted license for forty-five days after

³¹ Chapter 172 herein

³² Chapter 130, §31 herein

* Item veto; see message at end of the Act

*the effective date of the revocation if the person has had one previous revocation under this chapter, or for one year after the effective date of the revocation, and the if the person has had more than one previous revocation under this chapter. The person shall be ordered to install an ignition interlock device of a type approved by the commissioner of public safety on all vehicles owned or operated by the defendant if the defendant seeks a temporary restricted license at the end of the minimum period of ineligibility. A temporary restricted license shall not be granted by the department until the defendant installs the ignition interlock device.**

Sec. 79. EFFECTIVE DATE. The section of this division of this Act relating to the appropriation from the primary road fund to the department of transportation for the purchase of salt, being deemed of immediate importance, takes effect upon enactment.

DIVISION VII
MISCELLANEOUS APPROPRIATIONS

Sec. 80. There is appropriated from the general fund of the state to the council on homelessness for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the payment of expenses provided under section 16.100A, subsection 6, paragraph "d":
..... \$ 5,000

Sec. 81. FARMERS WITH DISABILITIES. There is appropriated from the general fund of the state to the department of education, vocational rehabilitation services division for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For a program for farmers with disabilities:
..... \$ 108,000

Moneys appropriated for purposes of this section shall be used for the public purpose of providing a grant to a national nonprofit organization with over 80 years of experience in assisting children and adults with disabilities and special needs. The funds shall be used for a nationally recognized program that began in 1986 and has been replicated in at least 30 other states, but which is not available through any other entity in this state, that provides assistance to farmers with disabilities in all 99 counties to allow the farmers to remain in their own homes and be gainfully engaged in farming through provision of agricultural worksite and home modification consultations, peer support services, services to families, information and referral, and equipment loan services.

Sec. 82. RACING AND GAMING COMMISSION. There is appropriated from the general fund of the state to the racing and gaming commission for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. RACETRACK REGULATION

For salaries, support, maintenance, and miscellaneous purposes and for the regulation of pari-mutuel racetracks:
..... \$ 277,374

2. EXCURSION BOAT AND GAMBLING STRUCTURE REGULATION

For salaries, support, maintenance, and miscellaneous purposes and for administration and enforcement of the excursion boat gambling and gambling structure laws:
..... \$ 321,316

Sec. 83. 2009 Iowa Acts, Senate File 470,³³ section 10, subsection 2, paragraph b, if enacted, is amended to read as follows:

~~b. Center for disabilities and development~~

* Item veto; see message at end of the Act

³³ Chapter 177 herein

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,335,993
.....	FTEs	130.37

From the moneys appropriated in this lettered paragraph, \$182,140 shall be allocated for purposes of the employment policy group.

Sec. 84. 2009 Iowa Acts, House File 811,³⁴ section 9, unnumbered paragraph 2, if enacted, is amended to read as follows:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2009, except as otherwise expressly authorized by law, including reimbursement for abortion services which shall be available under the medical assistance program only for those abortions which are medically necessary:

.....	\$	677,613,847
		<u>681,949,840</u>

Sec. 85. 2009 Iowa Acts, House File 811,³⁵ section 9, subsection 12, if enacted, is amended to read as follows:

12. a. Of the funds appropriated in this section, ~~\$2,687,889~~ \$7,023,882 is allocated for state match for disproportionate share hospital payment of ~~\$7,321,954~~ \$19,133,430 to hospitals that meet both of the following conditions:

(1) The hospital qualifies for disproportionate share and graduate medical education payments.

(2) The hospital is an Iowa state-owned hospital with more than 500 beds and eight or more distinct residency specialty or subspecialty programs recognized by the American college of graduate medical education.

b. Distribution of the disproportionate share payment shall be made on a monthly basis. The total amount of disproportionate share payments including graduate medical education, enhanced disproportionate share, and Iowa state-owned teaching hospital payments shall not exceed the amount of the state's allotment under Pub. L. No. 102-234. In addition, the total amount of all disproportionate share payments shall not exceed the hospital-specific disproportionate share limits under Pub. L. No. 103-66.

c. The department shall amend the medical assistance state plan as necessary to implement the provisions of this subsection. If the state plan amendment is not approved as submitted or there are changes in federal policies or application of federal policies that impact the distribution of disproportionate share hospital payments, the department shall immediately notify the governor and the general assembly.

Sec. 86. TUITION GRANTS — APPROPRIATION. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For tuition grants as provided under section 261.25, subsection 1:	\$	2,000,000
.....		

Sec. 87. 2009 Iowa Acts, Senate File 467,³⁶ section 1, if enacted, is amended by adding the following new subsection:

NEWSUBSECTION. 3. Of the amount appropriated in this section, \$238,000 is transferred to Iowa state university of science and technology, to be used for the university's midwest grape and wine industry institute.

Sec. 88. DEPARTMENT OF REVENUE. There is appropriated from the general fund of the state to the department of revenue for the fiscal year beginning July 1, 2009, and ending

³⁴ Chapter 182 herein
³⁵ Chapter 182 herein
³⁶ Chapter 175 herein

June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes: \$ 2,500,000

Sec. 89. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for the general office of the governor and the general office of the lieutenant governor: \$ 400,000

Sec. 90. WORKFORCE DEVELOPMENT — FIELD OFFICES. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field offices: \$ 360,000

Sec. 91. IOWA POWER FUND. There is appropriated from the general fund of the state to the office of energy independence for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the Iowa power fund: \$ 4,000,000

Sec. 92. COMMERCIAL SERVICE AIRPORTS. There is appropriated from the general fund of the state to the department of transportation for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For infrastructure improvements at the commercial service airports within the state: \$ 1,500,000

Fifty percent of the moneys appropriated in this section shall be allocated equally between each commercial air service airport, 40 percent of the moneys shall be allocated based on the percentage that the number of enplaned passengers at each commercial air service airport bears to the total number of enplaned passengers in the state during the previous fiscal year, and 10 percent of the moneys shall be allocated based on the percentage that the air cargo tonnage at each commercial air service airport bears to the total air cargo tonnage in the state during the previous fiscal year. In order for a commercial air service airport to receive funding under this section, the airport shall be required to submit applications for funding of specific projects to the department for approval by the state transportation commission.

Sec. 93. JOBS FOR AMERICA’S GRADUATES. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For school districts to provide direct services to the most at-risk senior high school students enrolled in school districts through direct intervention by a jobs for America’s graduates specialist: \$ 600,000

Sec. 94. EMPLOYEE MISCLASSIFICATION PROGRAM — GENERAL FUND. There is appropriated from the general fund of the state to the department of workforce development

for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enhancing efforts to investigate employers that misclassify workers:
..... \$ 500,000

Sec. 95. EMPLOYEE MISCLASSIFICATION PROGRAM — SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the department of workforce development may use up to \$250,000 from the employment security contingency fund for enhancing efforts to investigate employers that misclassify workers.

Sec. 96. INDIGENT DEFENSE PROGRAM. There is appropriated from the general fund of the state to the office of state public defender of the department of inspections and appeals for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, for the purposes designated:

For the indigent defense program:
..... \$ 2,200,000

Sec. 97. EFFECTIVE DATE. The section of this division of this Act, relating to an appropriation to the office of state public defender of the department of inspections and appeals, being deemed of immediate importance, takes effect upon enactment.

DIVISION VIII
MISCELLANEOUS STATUTORY CHANGES

Sec. 98. COUNTY LAND RECORD INFORMATION SYSTEM — PROJECT MANAGER. If Senate File 465,³⁷ relating to the duties of county recorders, fees collected by the county recorders, and the county land record information system, is enacted by the Eighty-third General Assembly and signed into law by the governor, the governing board of the county land record information system shall immediately terminate any existing contract with a project manager if such termination prior to the end of the contract term is permitted under the contract. Following such termination the governing board of the county land record information system shall initiate a new request for proposals for a project manager.

Sec. 99. GLENWOOD STATE PRESERVE. Portions of the property of the Glenwood state resource center that are not necessary to the operation of the center and that have been determined to be archaeologically and environmentally significant by the state archaeologist, shall be transferred to the jurisdiction of the department of natural resources. The director of the department of human services shall execute such real estate transfer documents as are necessary to transfer such real property of the Glenwood state resource center, as identified in contract completion report No. 1553 (2007) of the state archaeologist, to the department of natural resources. The state advisory board for preserves shall assess the natural condition, character, and features of the transferred property and make recommendations for the establishment of a state preserve on the property. The department of natural resources may establish agreements with governmental bodies and independent nonprofit agencies to construct recreational and educational facilities on the transferred property, such as, but not limited to, event facilities and interpretive centers.

Sec. 100. DISASTER-IMPACTED EXEMPTION. Notwithstanding the requirement for the filing of a claim for property tax exemption by February 1, and notwithstanding any other provisions to the contrary, a society or organization claiming an exemption under section 427.1, subsection 14, may file for an exemption with the local assessor by May 1, 2009, for property that is located in a county declared a disaster area in calendar year 2008, if the society or organization was unable to file for the exemption as a result of the inability or failure to file for the exemption caused by the need to respond to a natural disaster occurring in calendar year 2008.

³⁷ Chapter 159 herein

Sec. 101. NEW SECTION. 7D.16 ALCOHOLIC BEVERAGES IN STATE CAPITOL OR ON COMPLEX GROUNDS.

Notwithstanding any contrary provision of law prohibiting the use and consumption of alcoholic beverages in a public place, the executive council may authorize, by resolution, the temporary use and consumption of alcoholic beverages, as defined in section 123.3, in the state capitol or on the state capitol complex grounds, as if the state capitol or state capitol complex grounds were a private place. The authorization by resolution shall be limited to the use and consumption of alcoholic beverages as an accompaniment to food at a single award ceremony, social event, or other occasion deemed appropriate by the executive council. The authorization shall require that the person providing the food and alcoholic beverages possess an appropriate liquor control license in accordance with section 123.95. The secretary of the executive council shall inform the secretary of the legislative council and the director of the department of administrative services of the approval of any such resolution.

Sec. 102. Section 15.335, subsection 4, paragraph b, Code 2009, is amended to read as follows:

b. For purposes of this section, "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, ~~2008~~ 2009.

Sec. 103. Section 15A.9, subsection 8, paragraph e, subparagraph (2), Code 2009, is amended to read as follows:

(2) For purposes of this subsection, "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, ~~2008~~ 2009.

Sec. 104. Section 15E.196, subsection 1, paragraph b, Code 2009, is amended by striking the paragraph.

Sec. 105. Section 15E.305, subsection 1, Code 2009, is amended to read as follows:

1. For tax years beginning on or after January 1, 2003, a tax credit shall be allowed against the taxes imposed in chapter 422, divisions II, III, and V, and in chapter 432, and against the moneys and credits tax imposed in section 533.329 equal to ~~twenty~~ twenty-five percent of a taxpayer's endowment gift to an endow Iowa qualified community foundation. An individual may claim a tax credit under this section of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, estate, or trust. A tax credit shall be allowed only for an endowment gift made to an endow Iowa qualified community foundation for a permanent endowment fund established to benefit a charitable cause in this state. The amount of the endowment gift for which the tax credit is claimed shall not be deductible in determining taxable income for state income tax purposes. Any tax credit in excess of the taxpayer's tax liability for the tax year may be credited to the tax liability for the following five years or until depleted, whichever occurs first. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer claims the tax credit.

Sec. 106. Section 15E.305, subsection 2, unnumbered paragraph 1, Code 2009, is amended to read as follows:

The aggregate amount of tax credits authorized pursuant to this section shall not exceed a total of ~~two~~ three million dollars plus such additional credit amount as provided by this section annually. The maximum amount of tax credits granted to a taxpayer shall not exceed five percent of the aggregate amount of tax credits authorized.

Sec. 107. Section 26.3, subsection 2, Code 2009, is amended to read as follows:

2. A governmental entity shall have an engineer licensed under chapter 542B, a landscape architect licensed under chapter 544B, or an architect registered under chapter 544A prepare plans and specifications, and calculate the estimated total cost of a proposed public improve-

ment. A governmental entity shall ensure that sufficient paper copies of the plans, specifications, and estimated total costs of the proposed public improvement are available for prospective bidders.

Sec. 108. Section 35C.1, subsection 1, Code 2009, as amended by 2009 Iowa Acts, Senate File 186,³⁸ section 1, if enacted, is amended by striking the subsection and inserting in lieu thereof the following:

1. In every public department and upon all public works in the state, and of the counties, cities, and school corporations of the state, veterans who are citizens and residents of the United States are entitled to preference in appointment and employment over other applicants of no greater qualifications. The preference in appointment and employment for employees of cities under a municipal civil service is the same as provided in section 400.10. For purposes of this section, "veteran" means as defined in section 35.1 except that the requirement that the person be a resident of this state shall not apply.

Sec. 109. Section 85.71, subsection 1, paragraph a, Code 2009, is amended to read as follows:

a. The employer has a place of business in this state and the employee regularly works at or from that place of business, or the employer has a place of business in this state and the employee is domiciled in this state.

Sec. 110. Section 86.13, Code 2009, is amended to read as follows:

86.13 COMPENSATION PAYMENTS.

1. If an employer or insurance carrier pays weekly compensation benefits to an employee, the employer or insurance carrier shall file with the workers' compensation commissioner in the form and manner required by the workers' compensation commissioner a notice of the commencement of the payments. The payments establish conclusively that the employer and insurance carrier have notice of the injury for which benefits are claimed but the payments do not constitute an admission of liability under this chapter or chapter 85, 85A, or 85B.

2. If an employer or insurance carrier fails to file the notice required by this section, the failure stops the running of the time periods in section 85.26 as of the date of the first payment. If commenced, the payments shall be terminated only when the employee has returned to work, or upon thirty days' notice stating the reason for the termination and advising the employee of the right to file a claim with the workers' compensation commissioner.

3. This section does not prevent the parties from reaching an agreement for settlement regarding compensation. However, the agreement is valid only if signed by all parties and approved by the workers' compensation commissioner.

4. a. If a denial, a delay in commencement payment, or a termination of benefits occurs without reasonable or probable cause or excuse known to the employer or insurance carrier at the time of the denial, delay in payment, or termination of benefits, the workers' compensation commissioner shall award benefits in addition to those benefits payable under this chapter, or chapter 85, 85A, or 85B, up to fifty percent of the amount of benefits that were unreasonably denied, delayed, or denied terminated without reasonable or probable cause or excuse.

b. The workers' compensation commissioner shall award benefits under this subsection if the commissioner finds both of the following facts:

(1) The employee has demonstrated a denial, delay in payment, or termination of benefits.

(2) The employer has failed to prove a reasonable or probable cause or excuse for the denial, delay in payment, or termination of benefits.

c. In order to be considered a reasonable or probable cause or excuse under paragraph "b", an excuse shall satisfy all of the following criteria:

(1) The excuse was preceded by a reasonable investigation and evaluation by the employer or insurance carrier into whether benefits were owed to the employee.

(2) The results of the reasonable investigation and evaluation were the actual basis upon which the employer or insurance carrier contemporaneously relied to deny, delay payment of, or terminate benefits.

³⁸ Chapter 150 herein

(3) The employer or insurance carrier contemporaneously conveyed the basis for the denial, delay in payment, or termination of benefits to the employee at the time of the denial, delay, or termination of benefits.

Sec. 111. Section 96.40, subsection 2, paragraph i, Code 2009, is amended to read as follows:

i. The duration of the shared work plan will not exceed ~~twenty-six~~ fifty-two weeks. An employing unit is eligible for approval of only one plan during a twenty-four-month period.

Sec. 112. Section 96.40, subsection 8, Code 2009, is amended to read as follows:

8. An individual shall not be entitled to receive shared work benefits and regular unemployment compensation benefits in an aggregate amount which exceeds the maximum total amount of benefits payable to that individual in a benefit year as provided under section 96.3, subsection 5. ~~Notwithstanding any other provisions of this chapter, an individual shall not be eligible to receive shared work benefits for more than twenty-six calendar weeks during the individual's benefit year.~~

Sec. 113. Section 99B.10, subsection 1, paragraph a, Code 2009, is amended to read as follows:

a. A prize of merchandise exceeding five ~~fifty~~ dollars in value shall not be awarded for use of the device. However, a mechanical or amusement device may be designed or adapted to award a prize or one or more free games or portions of games without payment of additional consideration by the participant.

Sec. 114. Section 103.1, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. "Farm" means land, buildings and structures used for agricultural purposes including but not limited to the storage, handling, and drying of grain and the care, feeding, and housing of livestock.

Sec. 115. Section 103.22, subsection 2, Code 2009, is amended to read as follows:

2. Require employees of municipal utilities, electric membership or cooperative associations, investor-owned utilities, rural water associations or districts, railroads, telecommunications companies, franchised cable television operators, farms, or commercial or industrial companies performing manufacturing, installation, and repair work for such employer to hold licenses while acting within the scope of their employment. An employee of a farm does not include a person who is employed for the primary purpose of installing a new electrical installation.

Sec. 116. Section 103.29, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 7. A county shall not perform electrical inspections on a farm or farm residence.

Sec. 117. Section 103.32, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 5. A state electrical inspection fee shall not be assessed for an event benefiting a nonprofit association representing volunteer service providers. An electrical inspection fee shall not be assessed by a political subdivision for an annual event benefiting a nonprofit association representing volunteer service providers.

Sec. 118. Section 214A.2, subsection 5, Code 2009, is amended to read as follows:

5. Ethanol blended gasoline shall be designated E-xx where "xx" is the volume percent of ethanol in the ethanol blended gasoline and biodiesel fuel shall be designated B-xx where "xx" is the volume percent of biodiesel.

Sec. 119. Section 214A.3, subsection 2, paragraph b, subparagraph (2), Code 2009, is amended to read as follows:

(2) ~~Biodiesel fuel shall be designated according to its classification as provided in section~~

~~214A.2. A person shall not knowingly falsely advertise biodiesel blended fuel by using an inaccurate designation in violation of this subparagraph as provided in section 214A.2.~~

Sec. 120. Section 214A.5, Code 2009, is amended to read as follows:

214A.5 SALES SLIP ON DEMAND DOCUMENTATION.

1. A wholesale dealer or retail dealer shall, when making a sale of motor fuel, give to a purchaser upon demand a sales slip.
2. A wholesale dealer selling ethanol blended gasoline or biodiesel blended fuel to a purchaser shall provide the purchaser with a statement indicating its designation as provided in section 214A.2. The statement may be on the sales slip provided in this section or a similar document, including but not limited to a bill of lading or invoice.

Sec. 121. Section 214A.16, subsection 1, Code 2009, is amended to read as follows:

1. a. If motor fuel containing a renewable fuel ethanol blended gasoline is sold from a motor fuel pump, the motor fuel pump shall have affixed a decal identifying the name of the renewable fuel ethanol blended gasoline. The decal shall be different based on the type of renewable fuel dispensed. If the motor fuel pump dispenses ethanol blended gasoline classified as higher than standard ethanol blended gasoline pursuant to section 214A.2, the decal shall contain the following notice: "FOR FLEXIBLE FUEL VEHICLES ONLY".

b. If biodiesel fuel is sold from a motor fuel pump, the motor fuel pump shall have affixed a decal identifying the biodiesel fuel as provided in 16 C.F.R. pt. 306.

Sec. 122. Section 321.105A, subsection 2, paragraph c, subparagraph (25), unnumbered paragraph 1, Code 2009, is amended to read as follows:

Vehicles subject to registration under this chapter with a gross vehicle weight rating of less than sixteen thousand pounds, ~~excluding motorcycles and motorized bicycles~~, when purchased for lease and titled by the lessor licensed pursuant to chapter 321F and actually leased for a period of twelve months or more if the lease of the vehicle is subject to the fee for new registration under subsection 3.

Sec. 123. Section 321.105A, subsection 3, paragraph a, Code 2009, is amended to read as follows:

a. A fee for new registration is imposed in an amount equal to five percent of the leased price for each vehicle subject to registration with a gross vehicle weight rating of less than sixteen thousand pounds, ~~excluding motorcycles and motorized bicycles~~, which is leased by a lessor licensed pursuant to chapter 321F for a period of twelve months or more. The fee for new registration shall be paid by the owner of the vehicle to the county treasurer from whom the registration receipt or certificate of title is obtained. A registration receipt for a vehicle subject to registration or issuance of a certificate of title shall not be issued until the fee for new registration is paid in the initial instance.

Sec. 124. Section 321.105A, subsection 5, paragraph a, Code 2009, is amended by striking the paragraph.

Sec. 125. Section 321I.10, subsection 2, Code 2009, is amended to read as follows:

2. A registered all-terrain vehicle may be operated on the roadways of that portion of county highways designated by the county board of supervisors for such use during a specified period. The county board of supervisors shall evaluate the traffic conditions on all county highways and designate roadways on which all-terrain vehicles may be operated for the specified period without unduly interfering with or constituting an undue hazard to conventional motor vehicle traffic. ~~Signs warning of the operation of all-terrain vehicles on the roadway shall be placed and maintained on the portions of highway thus designated during the period specified for the operation.~~

Sec. 126. Section 331.907, subsection 2, Code 2009, is amended to read as follows:

2. At the public hearing held on the county budget as provided in section 331.434, the county

compensation board shall submit its recommended compensation schedule for the next fiscal year to the board of supervisors for inclusion in the county budget. The board of supervisors shall review the recommended compensation schedule for the elected county officers and determine the final compensation schedule which shall not exceed the compensation schedule recommended by the county compensation board. In determining the final compensation schedule if the board of supervisors wishes to reduce the amount of the recommended compensation schedule, the amount of salary increase proposed for each elected county officer, except as provided in subsection 2A, shall be reduced an equal percentage. A copy of the final compensation schedule shall be filed with the county budget at the office of the director of the department of management. The final compensation schedule takes effect on July 1 following its adoption by the board of supervisors.

Sec. 127. Section 331.907, Code 2009, is amended by adding the following new subsection: NEW SUBSECTION. 2A. The board of supervisors may adopt a decrease in compensation paid to supervisors irrespective of the county compensation board's recommended compensation schedule or other approved changes in compensation paid to other elected county officers. A decrease in compensation paid to supervisors shall be adopted by the board of supervisors no less than thirty days before the county budget is certified under section 24.17.

Sec. 128. Section 400.10, Code 2009, as amended by 2009 Iowa Acts, Senate File 186,³⁹ section 2, if enacted, is amended by striking the section and inserting in lieu thereof the following: 400.10 PREFERENCES.

In all examinations and appointments under this chapter, other than promotions and appointments of chief of the police department and chief of the fire department, veterans who are citizens and residents of the United States, shall have five percentage points added to the veteran's grade or score attained in qualifying examinations for appointment to positions and five additional percentage points added to the grade or score if the veteran has a service-connected disability or is receiving compensation, disability benefits or pension under laws administered by the veterans administration. An honorably discharged veteran who has been awarded the Purple Heart incurred in action shall be considered to have a service-connected disability. However, the percentage points shall be given only upon passing the exam and shall not be the determining factor in passing. Veteran's preference percentage points shall be applied once to the final scores used to rank applicants for selection for an interview. For purposes of this section, "veteran" means as defined in section 35.1 except that the requirement that the person be a resident of this state shall not apply.

Sec. 129. Section 412.2, subsection 1, Code 2009, is amended to read as follows:

1. From the proceeds of the assessments on the wages and salaries of employees, of any such waterworks system, or other municipally owned and operated public utility, eligible to receive the benefits thereof. Notwithstanding any provisions of section 20.9 to the contrary, a council, board of waterworks, or other board or commission which establishes a pension and annuity retirement system pursuant to this chapter, shall negotiate in good faith with a certified employee organization as defined in section 20.3, which is the collective bargaining representative of the employees, with respect to the amount or rate of the assessment on the wages and salaries of employees and the method or methods for payment of the assessment by the employees.

Sec. 130. Section 412.3, Code 2009, is amended to read as follows:

412.3 RULES.

The council, board of waterworks trustees, or other board or commission, whichever is authorized by law to manage and operate such waterworks, or other municipally owned and operated public utility, may formulate and establish such pension and annuity retirement system, and may make and establish such rules for the operation thereof as may be deemed necessary or appropriate, subject to the provision of section 412.2, subsection 1.

³⁹ Chapter 150 herein

Sec. 131. Section 422.10, subsection 3, unnumbered paragraph 2, Code 2009, is amended to read as follows:

For purposes of this section, "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, ~~2008~~ 2009.

Sec. 132. Section 422.13, subsection 5, Code 2009, is amended to read as follows:

5. a. Notwithstanding subsections 1 through 4 and sections 422.15 and 422.36, a partnership, a limited liability company whose members are taxed on the company's income under provisions of the Internal Revenue Code, trust, or corporation whose stockholders are taxed on the corporation's income under the provisions of the Internal Revenue Code may, not later than the due date for filing its return for the taxable year, including any extension thereof, elect to file a composite return for the nonresident partners, members, beneficiaries, or shareholders. Nonresident trusts or estates which are partners, members, beneficiaries, or shareholders in partnerships, limited liability companies, trusts, or S corporations may also be included on a composite return. The director may require that a composite return be filed under the conditions deemed appropriate by the director. A partnership, limited liability company, trust, or corporation filing a composite return is liable for tax required to be shown due on the return.

~~b. Notwithstanding subsection⁴⁰ 1 through 4 and sections 422.15 and 422.36, if the director determines that it is necessary for the efficient administration of this chapter, the director may require that a composite return be filed for nonresidents other than nonresident partners, members, beneficiaries or shareholders in partnerships, limited liability companies, trusts, or S corporations.~~

c. All powers of the director and requirements of the director apply to returns filed under this subsection including, but not limited to, the provisions of this division and division VI of this chapter.

Sec. 133. Section 422.33, subsection 5, paragraph d, unnumbered paragraph 2, Code 2009, is amended to read as follows:

For purposes of this subsection, "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, ~~2008~~ 2009.

Sec. 134. Section 422.33, subsection 9, Code 2009, is amended by striking the subsection.

Sec. 135. Section 422.88, subsections 2 and 3, Code 2009, are amended to read as follows:

2. The amount of the underpayment shall be the excess of the amount of the installment which would be required to be paid if the estimated tax was equal to ~~ninety one hundred~~ percent of the tax shown on the return of the taxpayer for the taxable year over the amount of installments paid on or before the date prescribed for payment.

3. If the taxpayer did not file a return during the taxable year, the amount of the underpayment shall be equal to ~~ninety one hundred~~ percent of the taxpayer's tax liability for the taxable year over the amount of installments paid on or before the date prescribed for payment.

Sec. 136. Section 423.3, subsection 39, Code 2009, is amended to read as follows:

39. The sales price from "casual sales".

a. "Casual sales" means:

~~a.~~ (1) Sales of tangible personal property, or the furnishing of services, of a nonrecurring nature, by the owner, if the seller, at the time of the sale, is not engaged for profit in the business of selling tangible personal property or services taxed under section 423.2.

~~b.~~ (2) The sale of all or substantially all of the tangible personal property or services held or used by a seller in the course of the seller's trade or business for which the seller is required to hold a sales tax permit when the seller sells or otherwise transfers the trade or business to another person who shall engage in a similar trade or business.

c. (3) Notwithstanding paragraph "a" subparagraph (1), the sale, furnishing, or performance of a service that is of a recurring nature by the owner if, at the time of the sale, all of the following apply:

⁴⁰ According to enrolled Act; the word "subsections" probably intended

* Item veto; see message at end of the Act

(1) (a) The seller is not engaged for profit in the business of the selling, furnishing, or performance of services taxed under section 423.2. For purposes of this subparagraph, the fact of the recurring nature of selling, furnishing, or performance of services does not constitute by itself engaging for profit in the business of selling, furnishing, or performance of services.

(2) (b) The owner of the business is the only person performing the service.

(3) (c) The owner of the business is a full-time student.

(4) (d) The total gross receipts from the sales, furnishing, or performance of services during the calendar year does not exceed five thousand dollars.

b. The exemption under this subsection does not apply to vehicles subject to registration, all-terrain vehicles, snowmobiles, off-road motorcycles, off-road utility vehicles, aircraft, or commercial or pleasure watercraft or water vessels.

Sec. 137. Section 423A.2, subsection 3, Code 2009, is amended to read as follows:

3. "Lodging" means rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, or manufactured or mobile home which is tangible personal property, or in a tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals. Lodging does not include rooms that are not used for sleeping accommodations.

Sec. 138. Section 423A.5, subsection 1, paragraph c, Code 2009, is amended by striking the paragraph.

Sec. 139. Section 423A.5, subsection 2, paragraph c, Code 2009, is amended by striking the paragraph.

Sec. 140. Section 452A.12, subsection 2, Code 2009, is amended to read as follows:

2. A person while transporting motor fuel or undyed special fuel from a refinery or marine or pipeline terminal in this state or from a point outside this state over the highways of this state in service other than that under subsection 1 shall carry in the vehicle a loading invoice showing the name and address of the seller or consignor, the date and place of loading, and the kind and quantity of motor fuel or special fuel loaded, together with invoices showing the kind and quantity of each delivery and the name and address of each purchaser or consignee. An invoice carried pursuant to this subsection for ethanol blended gasoline or biodiesel blended fuel shall state its designation as provided in section 214A.2.

Sec. 141. Section 452A.74A, subsections 1, 2, and 5, Code 2009, are amended to read as follows:

1. ILLEGAL USE OF DYED FUEL. The illegal use of dyed fuel in the supply tank of a motor vehicle shall result in a civil penalty assessed against the owner or operator of the motor vehicle as follows:

a. A ~~two~~ five hundred dollar ~~fine~~ penalty for the first violation.

b. A ~~five hundred~~ one thousand dollar ~~fine~~ penalty for a second violation within three years of the first violation.

c. A ~~one~~ two thousand dollar ~~fine~~ penalty for third and subsequent violations within three years of the first violation.

2. ILLEGAL IMPORTATION OF UNTAXED FUEL. A person who imports motor fuel or undyed special fuel without a valid importer's license or supplier's license shall be assessed a civil penalty as provided in this subsection. However, the owner or operator of the importing vehicle shall not be guilty of violating this subsection if it is shown by the owner or operator that the owner or operator reasonably did not know or reasonably should not have known of the illegal importation.

a. For a first violation, the importing vehicle shall be detained and a ~~fine~~ penalty of ~~two~~ four thousand dollars shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable for payment of the ~~fine~~ penalty.

b. For a second violation, the importing vehicle shall be detained and a ~~fine penalty~~ of ~~five ten~~ thousand dollars shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable to pay the ~~fine penalty~~.

c. For third and subsequent violations, the importing vehicle and the fuel shall be seized and a ~~fine penalty~~ of ~~ten twenty~~ thousand dollars shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable to pay the ~~fine penalty~~.

d. If the owner or operator of the importing vehicle or the owner of the fuel fails to pay the tax and ~~fine penalty~~ for a first or second offense, the importing vehicle and the fuel may be seized. The department of revenue, the state department of transportation, or any peace officer, at the request of either department, may seize the vehicle and the fuel.

e. If the operator or owner of the importing vehicle or the owner of the fuel ~~move~~ moves the vehicle or the fuel after the vehicle has been detained and a sticker has been placed on the vehicle stating that "This vehicle cannot be moved until the tax, penalty, and interest have been paid to the Department of Revenue", an additional penalty of ~~five ten~~ thousand dollars shall be assessed against the operator or owner of the importing vehicle or the owner of the fuel.

f. For purposes of this subsection, "vehicle" means as defined in section 321.1.

5. PREVENTION OF INSPECTION. The department of revenue or the state department of transportation may conduct inspections for coloration, markers, and shipping papers at any place where taxable fuel is or may be loaded into transport vehicles, produced, or stored. Any attempts by a person to prevent, stop, or delay an inspection of fuel or shipping papers by authorized personnel shall be subject to a civil penalty of not more than ~~one two~~ thousand dollars per occurrence. Any law enforcement officer or department of revenue or state department of transportation employee may physically inspect, examine, or otherwise search any tank, reservoir, or other container that can or may be used for the production, storage, or transportation of any type of fuel.

Sec. 142. Section 466A.4, subsection 1, Code 2009, is amended to read as follows:

1. Public water supply utilities, counties, county conservation boards, and cities may also be eligible and apply for and receive local watershed improvement grants for water quality improvement projects. An applicant shall coordinate with a local watershed improvement committee or a soil and water conservation district and shall include in the application a description of existing projects and any potential impact the proposed project may have on existing or planned water quality improvement projects.

Sec. 143. NEW SECTION. 476B.6A ALTERNATIVE TAX CREDIT QUALIFICATION — PILOT PROJECT.

Notwithstanding any other provision of this chapter to the contrary, the board shall establish a pilot project which will allow for a wind energy production tax credit of one and one-half cents multiplied by the number of kilowatt-hours of qualified electricity sold or used for on-site consumption by up to two qualified facilities selected for participation in the project. To be eligible for the project, a qualified facility shall meet all eligibility requirements otherwise applicable pursuant to this chapter, and in addition shall be located in a county in this state with a population of between forty-four thousand one hundred fifty and forty-four thousand five hundred based on the 2006 census, and with a combined nameplate generating capacity of at least one megawatt per applicant. For purposes of the pilot project, the two megawatt minimum requirement for qualification pursuant to section 476B.1, subsection 4, paragraph "d", shall not be applicable. The board shall reduce the remaining credits available under this chapter by a dollar amount equal to the amount of credits awarded pursuant to the project.

Sec. 144. Section 523I.316, Code 2009, is amended by adding the following new subsection:

NEWSUBSECTION. 7. ADVERSE POSSESSION. A cemetery or a pioneer cemetery is exempt from seizure, appropriation, or acquisition of title under any claim of adverse possession,

unless it is shown that all remains in the cemetery or pioneer cemetery have been disinterred and removed to another location.

Sec. 145. Section 602.6404, subsection 3, Code 2009, is amended by striking the subsection and inserting in lieu thereof the following:

3. A magistrate shall be an attorney licensed to practice law in this state. However, a magistrate not admitted to the practice of law in this state and who is holding office on April 1, 2009, shall be eligible to be reappointed as a magistrate in the same county for a term commencing August 1, 2009, and subsequent successive terms.

Sec. 146. 2009 Iowa Acts, House File 809,⁴¹ if enacted, is amended by adding the following new section:

SEC. __. NEW SECTION. FUTURE REPEAL OF DEPARTMENT OF COMMERCE REVOLVING FUND — COMPLIANCE.

1. Division VIII⁴² of this Act, relating to the creation of a department of commerce revolving fund, is repealed July 1, 2011. The Code editor shall restore the language in the sections of the Code of Iowa amended by the division to the language present in those sections in the 2009 Code of Iowa.

2. The divisions of the department of commerce shall comply with appropriate provisions of section 8.31 and with directions by the governor to executive branch departments regarding restrictions on out-of-state travel, hiring justifications, association memberships, equipment purchases, consulting contracts, and any other expenditure efficiencies that the governor deems appropriate.

Sec. 147. EFFECTIVE DATE. Section 483A.1, subsection 2, paragraph “ee”, as enacted by 2009 Iowa Acts, House File 722,⁴³ section 33, if enacted, and section 483A.7, subsection 3, as amended by 2009 Iowa Acts, House File 722,⁴⁴ section 37, if enacted, and this section, being deemed of immediate importance, take effect immediately upon enactment of this Act.

Sec. 148. 2009 Iowa Acts, Senate File 415,⁴⁵ section 1, if enacted, is amended by striking the section and inserting in lieu thereof the following:

SECTION 1. PROPERTY RIGHTS DEFENSE ACCOUNT.

1. A city may establish a property rights defense account within the city’s general fund. If a property rights defense account is established under this section, moneys which remain unclaimed under section 2, subsection 11, paragraph “d”, of this Act, may be deposited in the account. Interest or earnings on moneys in the property rights defense account shall be credited to the account. Moneys in the property rights defense account are not subject to transfer, appropriation, or reversion to any other account or fund, or any other use except as provided in this section.

2. Moneys in the account shall be used for the reimbursement of reasonable attorney fees and reasonable costs incurred by a property owner as the result of proceedings initiated under this Act, chapters 6A and 6B, and section 657A.10A.

3. Property owners shall apply to the city council on a form prescribed by the city council. If sufficient funds exist in the account, the city council shall reimburse each property owner who applies for all reasonable attorney fees and reasonable costs incurred. If insufficient funds exist in the account to reimburse a property owner for all reasonable attorney fees and reasonable costs incurred, the city council shall reimburse the property owner for the fees and costs in an amount equal to the remaining balance in account.⁴⁶

Sec. 149. 2007 Iowa Acts, chapter 186, section 29, is amended to read as follows:

SEC. 29. REFUND OF PROPERTY TAXES. Notwithstanding the deadline for filing a claim for property tax exemption for property described in section 427.1, subsection 8 or 9, and not-

⁴¹ Chapter 181 herein

⁴² According to enrolled Act; the phrase “Division VII” probably intended

⁴³ Chapter 144 herein

⁴⁴ Chapter 144 herein

⁴⁵ Chapter 129 herein

⁴⁶ According to enrolled Act; the phrase “balance in the account” probably intended

withstanding any other provision to the contrary, the board of supervisors of a county having a population based upon the latest federal decennial census of more than eighty-eight thousand but not more than ninety-five thousand shall refund the property taxes paid, with all interest, penalties, fees, and costs which were due and payable in the fiscal year beginning July 1, 2002, and in the fiscal year beginning July 1, ~~2005~~ 2006, on the land and buildings of an institution that purchased property and that did not receive a property tax exemption for the property due to the inability or failure to file for the exemption. To receive the refund provided for in this section, the institution shall apply to the county board of supervisors by October 1, ~~2007~~ 2009, and provide appropriate information establishing that the land and buildings for which the refund is sought were used by the institution for its appropriate objectives during the fiscal year beginning July 1, 2002, and during the fiscal year beginning July 1, ~~2005~~ 2006. The refund allowed under this section only applies to property taxes, with all interest, penalties, fees, and costs, due and payable in the fiscal year beginning July 1, 2002, and in the fiscal year beginning July 1, ~~2005~~ 2006.

Sec. 150. 2007 Iowa Acts, chapter 186, section 30, is amended to read as follows:

SEC. 30. IMMEDIATE EFFECTIVE DATE. ~~The section~~ Section 29 of this division of this Act, ~~amending section 427.3,~~ being deemed of immediate importance, takes effect upon enactment and applies retroactively to property taxes due and payable in the fiscal year beginning July 1, 2002, and in the fiscal year beginning July 1, ~~2005~~ 2006.

Sec. 151. Section 422.11E, Code 2009, is repealed.

Sec. 152. Sections 422.120 through 422.122, Code 2009, are repealed.

Sec. 153. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

1. The section of this division of this Act concerning the county land record information system, being deemed of immediate importance, takes effect upon enactment.

2. The section of this division of this Act amending 2009 Iowa Acts, Senate File 415,⁴⁷ being deemed of immediate importance, takes effect upon enactment.

3. The section of this division of this Act repealing sections 422.120 through 422.122, being deemed of immediate importance, takes effect upon enactment and applies retroactively to November 1, 2008, for refund claims filed on or after that date.

4. The section of this division of this Act relating to property tax exemption filings for disaster-impacted property, being deemed of immediate importance, takes effect upon enactment.

5. The section⁴⁸ of this division of this Act amending section 15E.305, takes effect January 1, 2010, and applies to the tax years beginning on or after that date.

6. The section of this division of this Act amending section 422.88, subsections 2 and 3, applies retroactively to January 1, 2009, for tax years beginning on or after that date.

7. The sections of this division of this Act amending 2007 Iowa Acts, chapter 186, sections 29 and 30, being deemed of immediate importance, take effect upon enactment.

8. The sections of this division of this Act amending section 15.335, subsection 4, paragraph "b", section 15A.9, subsection 8, paragraph "e", subparagraph (2), section 422.10, subsection 3, unnumbered paragraph 2, section 422.33, subsection 5, paragraph "d", unnumbered paragraph 2, being deemed of immediate importance, take effect upon enactment and apply retroactively to January 1, 2008, for tax years beginning on or after that date.

DIVISION IX EDUCATION

Sec. 154. REGENTS — APPROPRIATIONS. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

⁴⁷ Chapter 129 herein

⁴⁸ According to enrolled Act; the word "sections" probably intended

1. STATE SCHOOL FOR THE DEAF		
For salaries, support, maintenance, miscellaneous purposes:		
.....	\$	398,980
2. IOWA BRAILLE AND SIGHT SAVING SCHOOL		
For salaries, support, maintenance, miscellaneous purposes:		
.....	\$	225,602

Sec. 155. DEPARTMENT OF EDUCATION — APPROPRIATION. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as may be necessary, to be used for general administration:

.....	\$	167,096
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Sec. 156. EDUCATIONAL EXCELLENCE PROGRAM-RELATED APPROPRIATIONS. There is appropriated from the general fund of the state to the indicated departments and agencies for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the department of human services for distribution to its licensed classroom teachers at institutions under the control of the department of human services based upon the average student yearly enrollment at each institution as determined by the department of human services:

.....	\$	115,500
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2. To the state board of regents:

a. For distribution to licensed classroom teachers at the Iowa braille and sight saving school and the Iowa school for the deaf based upon the average yearly enrollment at each school as determined by the state board of regents:

.....	\$	94,600
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b. For the Iowa braille and sight saving school:

.....	\$	68,000
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c. For the state school for the deaf:

.....	\$	102,000
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3. To the department of education:

a. For distribution to the tribal council of the Sac and Fox Indian settlement located on land held in trust by the secretary of the interior of the United States. Moneys allocated under this lettered paragraph shall be used for the purposes specified in section 256.30:

.....	\$	100,000
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b. For the kindergarten to grade twelve management information system:

.....	\$	230,000
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Sec. 157. INTERPRETERS FOR THE DEAF. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For allocation for deaf interpreters for arrangements made between the state school for the deaf and Iowa western community college due to the high numbers of articulation agreements between the state school for the deaf and the community college:

.....	\$	200,000
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Sec. 158. CENTER FOR INDEPENDENT LIVING. There is appropriated from the general fund of the state to the department of education, vocational rehabilitation services division, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For costs associated with centers for independent living:

.....	\$	50,000
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Sec. 159. 2006 Iowa Acts, chapter 1182, section 1, unnumbered paragraph 2, as amended by 2007 Iowa Acts, chapter 108, section 59, is amended to read as follows:

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

FY 2006-2007	\$	104,343,894
FY 2007-2008	\$	173,943,894
FY 2008-2009	\$	248,943,894
		<u>249,502,894</u>

Sec. 160. COMPULSORY SCHOOL ATTENDANCE AGE — WORKING GROUP.

1. Of the amount appropriated from the human services reinvestment fund created in 2009 Iowa Acts, House File 820,⁴⁹ if enacted, to the legislative services agency for the fiscal year beginning July 1, 2009, and ending June 30, 2010, \$115,000 is transferred to the department of education to be used for costs associated with the working group convened pursuant to subsection 2.

2. The department of education shall convene a working group comprised of the director of the department of education, or the director's designee, and other education stakeholders appointed by the department to review supports for students affected by an increase in the compulsory attendance age from sixteen to eighteen years of age. The working group shall consider, at a minimum, the necessity of expansion of support programs and services for such students, online at-risk academy courses, career academies, and current at-risk allowable growth provisions, and full funding of the instructional support levy. The working group shall submit its findings and recommendations, including any proposed changes in policy or statute, to the state board of education and the general assembly by January 15, 2010.

Sec. 161. Section 273.3, Code 2009, is amended by adding the following new subsection: NEW SUBSECTION. 23. By October 1 of each year, submit to the department of education the following information:

- a. The contracted salary including bonus wages and benefits, annuity payments, or any other benefit for the administrators of the area education agency.
- b. The contracted salary and benefits and any other expenses related to support for governmental affairs efforts, including expenditures for lobbyists and lobbying activities for the area education agency.

Sec. 162. DES MOINES UNIVERSITY — OSTEOPATHIC MEDICAL CENTER. For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the college student aid commission shall pay a fee to Des Moines university — osteopathic medical center for the administration of the initiative in primary health care to direct primary care physicians to shortage areas in the state. A portion of the fee paid shall be based upon the number of physicians recruited in accordance with section 261.19, subsection 4. However, the fee amount paid shall not exceed \$41,862 for the fiscal year. Such amount shall be subject to any budgetary reductions ordered by the governor or enacted by the general assembly.

Sec. 163. EFFECTIVE DATE. The section of this division of this Act amending 2006 Iowa Acts, chapter 1182, being deemed of immediate importance, takes effect upon enactment.

DIVISION X JUDICIAL BRANCH — COMMISSION ELECTIONS

Sec. 164. Section 46.5, unnumbered paragraph 5, Code 2009, is amended to read as follows:

When a vacancy in an office of an elective judicial nominating commissioner occurs, the ~~clerk of the supreme court~~ state court administrator shall cause to be mailed to each member of the bar whose name appears on the certified list prepared pursuant to section 46.8 for the

⁴⁹ Chapter 183 herein

district or districts affected, a notice stating the existence of the vacancy, the requirements for eligibility, and the manner in which the vacancy will be filled. Other items may be included in the same mailing if they are on sheets separate from the notice. The election of a district judicial nominating commissioner or the close of nominations for a state judicial nominating commissioner shall not occur until thirty days after the mailing of the notice.

Sec. 165. Section 46.7, Code 2009, is amended to read as follows:

46.7 ELIGIBILITY TO VOTE.

To be eligible to vote in elections of judicial nominating commissioners, a member of the bar must be eligible to practice and must be a resident of the state of Iowa and of the appropriate congressional district or judicial election district as shown by the member's most recent filing with the supreme court for the purposes of showing compliance with the court's continuing legal education requirements, or for members of the bar eligible to practice who are not required to file such compliance, any paper on file by July 1 with the ~~clerk of the supreme court~~ state court administrator, for the purpose of establishing eligibility to vote under this section, which the court determines to show the requisite residency requirements. A judge who has been admitted to the bar of the state of Iowa shall be considered a member of the bar.

Sec. 166. Section 46.8, Code 2009, is amended to read as follows:

46.8 CERTIFIED LIST.

~~On July 15 of each~~ Each year the ~~clerk of the supreme court~~ state court administrator shall certify a list of the names, addresses, and years of admission of members of the bar who are eligible to vote for state and district judicial nominating commissioners. ~~The clerk of the supreme court shall provide a copy of the list of the members for a county to the clerk of the district court for that county.~~

Sec. 167. Section 46.9, Code 2009, is amended by striking the section and inserting in lieu thereof the following:

46.9 CONDUCT OF ELECTIONS.

When an election of judicial nominating commissioners is to be held, the state court administrator shall administer the voting. The state court administrator may administer the voting by electronic notification and voting or by paper ballot mailed to each eligible attorney. The state court administrator shall mail paper ballots to eligible attorneys or electronically notify and enable eligible attorneys to vote. The elector receiving the most votes shall be elected. When more than one commissioner is to be elected, the electors receiving the most votes shall be elected, in the same number as the offices to be filled.

Sec. 168. Section 46.9A, Code 2009, is amended to read as follows:

46.9A NOTICE PRECEDING NOMINATION OF ELECTIVE NOMINATING COMMISSIONERS.

At least sixty days prior to the expiration of the term of an elective state or district judicial nominating commissioner, the ~~clerk of the supreme court~~ state court administrator shall ~~cause to be mailed to each member of the bar whose name appears on the certified list prepared pursuant to section 46.8 for the district or districts affected, a notice stating the date the term of office will expire, the requirements for eligibility to the office for the succeeding term, and the procedure for filing nominating petitions, including the last date for filing~~ mail paper ballots to eligible attorneys or electronically notify and enable eligible attorneys to vote. An eligible attorney is a member of the bar whose name appears on the certified list prepared pursuant to section 46.8 for the district or districts affected. Other items may be included in the same mailing if they are on sheets separate from the notice.

Sec. 169. Section 46.10, Code 2009, is amended to read as follows:

46.10 NOMINATION OF ELECTIVE NOMINATING COMMISSIONERS.

In order to have an eligible elector's name printed on the ballot for state or district judicial

nominating commissioner, the eligible elector must file in the office of the ~~clerk of the supreme court~~ state court administrator at least thirty days prior to expiration of the period within which the election must be held a nominating petition signed by at least fifty resident members of the bar of the congressional district in case of a candidate for state judicial nominating commissioner, or at least ten resident members of the bar of the judicial district in case of a candidate for district judicial nominating commissioner. No member of the bar may sign more nominating petitions for state or district judicial nominating commissioner than there are such commissioners to be elected.

Ballots or electronic voting forms for state and district judicial nominating commissioners shall contain blank lines equal to the number of such commissioners to be elected, where names may be written in.

Sec. 170. Section 46.11, Code 2009, is amended to read as follows:

46.11 CERTIFICATION OF COMMISSIONERS.

The governor and the ~~clerk of the supreme court~~ state court administrator respectively shall promptly certify the names and addresses of appointive and elective judicial nominating commissioners to the state commissioner of elections and the chairperson of the respective nominating commissions.

Sec. 171. EFFECTIVE DATE. This division of this Act takes effect February 10, 2010.

DIVISION XI
JUDICIAL OFFICER VACANCIES

Sec. 172. 2009 Iowa Acts, House File 414,⁵⁰ section 54, is amended to read as follows:

SEC. 54. JUDICIAL APPOINTMENT — DELAY.

1. Notwithstanding section 46.12, the chief justice may order the state commissioner of elections to delay, for up to one hundred eighty days for budgetary reasons, the sending of a notification to the proper judicial nominating commission that a vacancy in the supreme court, court of appeals, or district court has occurred or will occur.

2. Notwithstanding sections 602.6304, 602.7103B, and 633.20B, the chief justice may order any county magistrate appointing commission to delay, for up to one hundred eighty days for budgetary reasons, the certification of nominees to the chief judge of the judicial district for a district associate judgeship, associate juvenile judgeship, or associate probate judgeship.

3. Notwithstanding section 602.6403, subsection 3, the chief justice may order any county magistrate appointing commission to delay, for up to one hundred eighty days for budgetary reasons, the appointment of a magistrate to serve the remainder of an unexpired term.

4. ~~The section~~ Subsection 3, relating to magistrate vacancies, is applicable for the period beginning on the effective date of this section and ending June 30, 2009. Subsections 1 and 2 are applicable for the period beginning on the effective date of this section and ending on June 30, 2010.

Sec. 173. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. The section of this division of this Act amending 2009 Iowa Acts, House File 414,⁵¹ section 54, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to March 16, 2009.

DIVISION XII
DISASTER ASSISTANCE

Sec. 174. 2009 Iowa Acts, House File 64,⁵² section 1, subsection 2, paragraph b, is amended to read as follows:

b. Forgivable loans awarded after the effective date of this division of this Act shall be awarded pursuant to the following priorities:

⁵⁰ Chapter 170 herein

⁵¹ Chapter 170 herein

⁵² Chapter 169 herein

(1) First priority shall be given to eligible residents who have not received any moneys under the jumpstart housing assistance program prior to the effective date of this division of this Act.

(2) Second priority shall be given to eligible residents who have received less than twenty-four thousand nine hundred ninety-nine dollars under the jumpstart housing assistance program prior to the effective date of this division of this Act.

(3) Third priority shall be given to eligible residents who have received twenty-four thousand nine hundred ninety-nine dollars under the jumpstart housing assistance program prior to the effective date of this division of this Act and who continue to have unmet needs for down payment assistance, emergency housing repair or rehabilitation, interim mortgage assistance, or energy efficiency assistance. An eligible resident shall not receive more than an additional twenty-four thousand nine hundred ninety-nine dollars under this subparagraph.

Sec. 175. 2009 Iowa Acts, House File 64,⁵³ section 4, subsection 1, is amended to read as follows:

1. There is appropriated from the Iowa economic emergency fund created in section 8.55 to the department of human services for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For providing individual disaster grants for unmet needs pursuant to the requirements in this section:

.....	\$	10,000,000
		<u>7,850,000</u>

Sec. 176. 2009 Iowa Acts, House File 64,⁵⁴ section 4, subsection 6, is amended to read as follows:

6. An area long-term disaster recovery committee shall be reimbursed for administrative expenses incurred in an amount not to exceed three percent of the grant moneys awarded for the area pursuant to an intergovernmental agreement to be established between the department of human services and the agency of record responsible for the long-term disaster committee in each area unreimbursed grants made to persons for eligible expenses authorized in subsection 5, not to exceed two thousand five hundred dollars per household, made by a committee since September 1, 2008. The department of human services shall not be reimbursed for using moneys appropriated in this section for administrative costs associated with administering the Iowa unmet needs disaster grant program.

Sec. 177. REBUILD IOWA OFFICE — APPROPRIATION.

1. There is appropriated from the Iowa economic emergency fund created in section 8.55 to the rebuild Iowa office for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for purposes of this section:

.....	\$	1,150,000
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2. From the moneys appropriated in this section, the rebuild Iowa office shall distribute \$1,150,000 to cities adversely impacted by tornadoes during the incident period identified by Presidential Disaster DR 1763-IA. The rebuild Iowa office shall distribute moneys to all of the following adversely impacted political subdivisions:

a. For Marion county for the benefit of Attica:	\$	25,000
b. For Dunkerton:	\$	50,000
c. For Fairbank:	\$	50,000
d. For Hazleton:	\$	50,000

⁵³ Chapter 169 herein

⁵⁴ Chapter 169 herein

- e. For New Hartford:
 - \$ 200,000
 - f. For Delaware county for the benefit of Oneida:
 - \$ 25,000
 - g. For Parkersburg:
 - \$ 750,000
3. Notwithstanding section 8.33 and section 8.55, subsection 3, paragraph “a”, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 178. REBUILD IOWA OFFICE — APPROPRIATION.

1. There is appropriated from the Iowa economic emergency fund created in section 8.55 to the rebuild Iowa office for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For distribution to area long-term recovery committees pursuant to this section:
 \$ 1,000,000

2. The rebuild Iowa office shall distribute the moneys appropriated under this section in the form of grants to area long-term recovery committees with a signed memorandum of understanding with the department of human services.

3. Notwithstanding section 8.33 and section 8.55, subsection 3, paragraph “a”, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 179. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XIII
HEALTH AND HUMAN SERVICES

Sec. 180. MEDICAID ENTERPRISE STUDY. The department of human services shall explore incorporating data mining, predictive modeling, and data analytics which may include automated claims review, to address provider overpayments, underpayments, and fraud within the Iowa Medicaid enterprise for the fiscal period beginning July 1, 2006, and ending June 30, 2009. The review shall assume only Iowa-specific models, patterns, and trend data. The department shall issue a request for proposals to competitively procure such services no later than August 1, 2009. If the results from the request for proposals demonstrate that such an approach will provide a net benefit to the state, the department shall enter into a contract for such services no later than September 30, 2009.

Sec. 181. RISK POOL — FISCAL YEAR 2009-2010. For purposes of the timeframes for applying for and receiving risk pool assistance under section 426B.5, for the fiscal year beginning July 1, 2009, notwithstanding contrary provisions of section 426B.5, subsection 2, a county must apply to the risk pool board for assistance from the risk pool on or before July 1, 2009. The risk pool board shall make its final decisions on or before August 15, 2009, regarding acceptance or rejection of the applications for assistance and the total amount of assistance applied for and approved shall be considered obligated. The department of human services shall authorize the issuance of warrants payable to the county treasurer for the amounts due and the warrants shall be issued on or before September 15, 2009.

Sec. 182. Section 135H.3, Code 2009, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If a child is diagnosed with a biologically based mental illness as defined in section 514C.22 and meets the medical assistance program criteria for

admission to a psychiatric medical institution for children, the child shall be deemed to meet the acuity criteria for medically necessary inpatient benefits under a group policy, contract, or plan providing for third-party payment or prepayment of health, medical, and surgical coverage benefits issued by a carrier, as defined in section 513B.2, or by an organized delivery system authorized under 1993 Iowa Acts, chapter 158, that is subject to section 514C.22. Such medically necessary benefits shall not be excluded or denied as care that is substantially custodial in nature under section 514C.22, subsection 8, paragraph "b".

Sec. 183. NEW SECTION. 514C.24 CANCER TREATMENT — COVERAGE.

1. Notwithstanding the uniformity of treatment requirements of section 514C.6, a contract, policy, or plan providing for third-party payment or prepayment for cancer treatment shall not discriminate between coverage benefits for prescribed, orally administered anticancer medication used to kill or slow the growth of cancerous cells and intravenously administered or injected cancer medications that are covered, regardless of formulation or benefit category determination by the contract, policy, or plan.

2. The provisions of this section shall apply to all of the following classes of third-party payment provider contracts, policies, or plans delivered, issued for delivery, continued, or renewed in this state on or after July 1, 2009:

a. Individual or group accident and sickness insurance providing coverage on an expense-incurred basis.

b. An individual or group hospital or medical service contract issued pursuant to chapter 509, 514, or 514A.

c. An individual or group health maintenance organization contract regulated under chapter 514B.

d. An individual or group Medicare supplemental policy, unless coverage pursuant to such policy is preempted by federal law.

e. A plan established pursuant to chapter 509A for public employees.

3. This section shall not apply to accident-only, specified disease, short-term hospital or medical, hospital confinement indemnity, credit, dental, vision, long-term care, basic hospital, and medical-surgical expense coverage as defined by the commissioner, disability income insurance coverage, coverage issued as a supplement to liability insurance, workers' compensation or similar insurance, or automobile medical payment insurance.

4. The commissioner of insurance shall adopt rules pursuant to chapter 17A as necessary to administer this section.

Sec. 184. 2008 Iowa Acts, chapter 1187, section 29, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purpose designated until the close of the fiscal year beginning July 1, 2010.

Sec. 185. 2009 Iowa Acts, House File 811,⁵⁵ section 40, subsection 2, if enacted, is amended to read as follows:

2. The study committee shall consist of members of the general assembly, and representatives of the department of public health, the Iowa pharmacy association, the Iowa medical society, the Iowa nurses association, ~~wellmark blue cross blue shield, the principal financial group,~~ the federation of Iowa insurers, the university of Iowa college of public health, the Iowa retail federation, the prevention and chronic care management advisory council established in section 135.161, the medical home system advisory council established in section 135.159, the Iowa healthcare collaborative, as defined in section 135.40, the health policy corporation of Iowa, and the Iowa foundation for medical care.

Sec. 186. EFFECTIVE DATE.

1. The section of this division of this Act relating to a Medicaid enterprise study, being deemed of immediate importance, takes effect upon enactment.

⁵⁵ Chapter 182 herein

2. The section of this division of this Act amending 2008 Iowa Acts, chapter 1187, section 29, being deemed of immediate importance, takes effect upon enactment.

DIVISION XIV
ECONOMIC DEVELOPMENT — WORKFORCE DEVELOPMENT

Sec. 187. DISASTER ASSISTANCE LOAN AND CREDIT GUARANTEE PROGRAM.

1. The department of economic development shall establish and administer a disaster assistance loan and credit guarantee program by investing the assets of the disaster assistance loan and credit guarantee fund in order to provide loan and credit guarantees to all of the following qualifying businesses:

a. Businesses directly impacted by a natural disaster occurring after May 24, 2008, and before August 14, 2008.

b. Businesses either locating an existing business or starting a new business in a disaster-impacted space in an area which was declared a natural disaster area by the president of the United States due to a natural disaster occurring after May 24, 2008, and before August 14, 2008. For purposes of this paragraph, "disaster-impacted space" means a building damaged by a natural disaster occurring after May 24, 2008, and before August 14, 2008, including undamaged upper floors of a building that was damaged by the natural disaster.

c. Businesses filling a critical community need in conformance with the comprehensive plan of the city as determined by resolution of the city council of the city in which the business is located. For purposes of this paragraph, a business shall be deemed to be located in a city if it is located within two miles of the city limits.

2. a. The department, pursuant to agreements with financial institutions, shall provide loan and credit guarantees to qualifying businesses described in subsection 1. A loan or credit guarantee under the program shall not exceed ten percent of the loan amount or twenty-five thousand dollars, whichever is less. Not more than one loan or credit guarantee shall be awarded per federal employer identification number.

b. A loan or credit guarantee provided under the program may stand alone or may be used in conjunction with or to enhance other loan or credit guarantees offered by a financial institution. The department may purchase insurance to cover defaulted loans meeting the requirements of the program. However, the department shall not in any manner directly or indirectly pledge the credit of the state.

c. Eligible project costs include expenditures for productive equipment and machinery, land and real estate, working capital for operations, research and development, marketing, engineering and architectural fees, and such other costs as the department may so designate.

d. A loan or credit guarantee under the program shall not be used for purposes of debt refinancing.

3. Each participating financial institution shall identify and underwrite potential lending opportunities with qualifying businesses. Upon a determination by a participating financial institution that a qualifying business meets the underwriting standards of the financial institution, subject to the approval of a loan or credit guarantee, the financial institution shall submit the underwriting information and a loan or credit guarantee application to the department.

4. Upon approval of a loan or credit guarantee, the department shall enter into a loan or credit guarantee agreement with the participating financial institution. The agreement shall specify all of the following:

a. The fee to be charged to the financial institution.

b. The evidence of debt assurance of, and security for, the loan or credit guarantee.

c. A loan or credit guarantee that does not exceed fifteen years.

d. Any other terms and conditions considered necessary or desirable by the department.

e. That the loan or credit guarantee does not invoke or pledge the credit or the taxing power of the state and that any claim made pursuant to the loan or credit guarantee shall be limited to the terms and amount of the loan or credit guarantee and to the moneys in the disaster assistance loan and credit guarantee fund.

5. The department shall charge a nonrefundable application fee for each application under the program. The department shall include the fee information in the application materials. The fee is payable upon submission of an application for a loan or credit guarantee from a financial institution or a qualifying business. The application fee shall be not less than five hundred dollars and not more than one thousand dollars. Moneys received from fees are appropriated to the department for purposes of administering this section.

6. The department may adopt loan and credit guarantee application procedures that allow a qualifying business to apply directly to the department for a preliminary guarantee commitment. A preliminary guarantee commitment may be issued by the department subject to the qualifying business securing a commitment for financing from a financial institution. The application procedures shall specify the process by which a financial institution may obtain a final loan or credit guarantee.

7. a. A disaster assistance loan and credit guarantee fund is created and established as a separate and distinct fund in the state treasury. Moneys in the fund shall only be used for purposes provided in this section. The moneys in the fund are appropriated to the department to be used for all of the following purposes:

(1) Payment of claims pursuant to loan and credit guarantee agreements entered into under this section.

(2) Payment of administrative costs of the department for actual and necessary administrative expenses incurred by the department in administering the disaster assistance loan and credit guarantee program.

(3) Purchase or buyout of superior or prior liens, mortgages, or security interests.

(4) Purchase of insurance to cover the default of loans made pursuant to the requirements of the disaster assistance loan and credit guarantee program.

b. Moneys in the disaster assistance loan and credit guarantee fund shall consist of all of the following:

(1) Moneys appropriated by the general assembly for that purpose and any other moneys available to and obtained or accepted by the department for placement in the fund.

(2) Proceeds from collateral assigned to the department, fees for guarantees, gifts, and moneys from any grant made to the fund by any federal agency.

c. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest or earnings on the moneys in the fund shall be credited to the fund.

d. (1) The department shall only pledge moneys in the disaster assistance loan and credit guarantee fund and not any other moneys under the control of the department. In a fiscal year, the department may pledge an amount not to exceed the total amount appropriated to the fund for the same fiscal year to assure the repayment of loan and credit guarantees or other extensions of credit made to or on behalf of qualified businesses for eligible project costs.

(2) The department shall not pledge the credit or taxing power of this state or any political subdivision of this state or make debts payable out of any moneys except for those in the disaster assistance loan and credit guarantee fund.

8. For purposes of this section, "financial institution" means a bank incorporated pursuant to chapter 524 or a credit union organized pursuant to chapter 533.

9. For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the Iowa power fund board may allocate up to \$1.8 million for purposes of the disaster assistance loan and credit guarantee fund.

Sec. 188. JOB TRAINING INTERIM STUDY COMMITTEE.

1. The legislative council shall establish a job training interim study committee to examine job training issues during the 2009 legislative interim period.

2. The study committee shall examine and make recommendations concerning job training needs in Iowa. The study committee shall focus on job training mechanisms that provide services to underserved populations in Iowa. Underserved populations include people making less than twenty thousand dollars per year, minorities, women, persons with disabilities, the elderly, and people convicted of felonies trying to re-enter society after release from prison.

3. The legislative council shall consider providing funding for the hiring of a private consultant to identify duplicative programs that contribute to the fragmentation of job training efforts. The study committee shall make recommendations for the removal of any such duplicative programs.

4. The committee shall submit a report to the general assembly.

Sec. 189. Section 15.421, subsection 2, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. The directors of the department of economic development and the department of workforce development, or their designees, shall serve as nonvoting, ex officio members.

Sec. 190. Section 15.421, subsection 4, Code 2009, is amended by striking the subsection and inserting in lieu thereof the following:

4. a. The chairperson and vice chairperson of the commission shall be selected by the governor and shall serve at the pleasure of the governor.

b. An executive council of the commission shall consist of the chairperson and vice chairperson, and three members elected by the commission on an annual basis. The executive council shall meet on a monthly basis.

Sec. 191. Section 15.421, subsection 5, paragraphs b and c, Code 2009, are amended to read as follows:

b. Advise and assist the ~~department~~ state agencies in activities designed to retain and attract the young adult population.

c. Develop and make available best practices guidelines for employers to retain and attract ~~and retain~~ young adult employees.

Sec. 192. Section 15.421, subsection 5, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. Conduct meetings on at least a bimonthly basis.

Sec. 193. NEW SECTION. 15E.70 FINANCIAL STATEMENTS — AUDITOR OF STATE.

By July 1 of each year, the Iowa fund of funds, the Iowa capital investment corporation, and designated investors shall submit a financial statement for the previous calendar year to the auditor of state.

Sec. 194. 2009 Iowa Acts, Senate File 469,⁵⁶ section 15, subsection 2, unnumbered paragraph 2, if enacted, is amended to read as follows:

The division of workers' compensation shall ~~continue charging charge~~ a \$65 ~~\$100~~ filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this subsection are appropriated to the department of workforce development to be used for purposes of administering the division of workers' compensation.

Sec. 195. 2008 Iowa Acts, chapter 1178, section 18, is amended by adding the following new subsection:

NEWSUBSECTION. 7. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 196. EFFECTIVE DATE.

1. The section of this division of this Act amending 2008 Iowa Acts, chapter 1178, section 18, being deemed of immediate importance, takes effect upon enactment.

⁵⁶ Chapter 176 herein

2. The section of this division of this Act creating the disaster assistance loan and credit guarantee program, being deemed of immediate importance, takes effect upon enactment.

DIVISION XV
DATA CENTERS

Sec. 197. Section 423.3, Code 2009, is amended by adding the following new subsection: NEW SUBSECTION. 95. a. (1) The sales price from the sale or rental of computers and equipment that are necessary for the maintenance and operation of a data center business and property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the data center business, including but not limited to exterior dedicated business-owned substations, backup power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays, which are necessary for the maintenance and operation of the data center business.

(2) The sales price of backup power generation fuel that is purchased by a data center business for use in the items listed in subparagraph (1).

(3) The sales price of electricity purchased for use by a data center business.

b. For the purpose of claiming this exemption, all of the following requirements shall be met:

(1) The purchaser or renter shall be a data center business.

(2) The data center business shall have a physical location in the state that is, in the aggregate, at least five thousand square feet in size that is used for the operations and maintenance of the data center business.

(3) The data center business shall make a minimum investment in an Iowa physical location of two hundred million dollars within the first six years of operation in Iowa beginning with the date the data center business initiates site preparation activities. The minimum investment includes the initial investment, including land and subsequent acquisition of additional adjacent land and subsequent investment at the Iowa location.

(4) The data center business shall comply with the sustainable design and construction standards established by the state building code commissioner pursuant to section 103A.8B.

c. This exemption applies from the date of the initial investment in or the initiation of site preparation activities for the data center business facility as described in paragraph "b".

d. Failure to meet eighty percent of the minimum investment amount requirement specified in paragraph "b" within the first six years of operation from the date the data center business initiates site preparation activities will result in the data center business losing the right to claim this data center business exemption and the data center business shall pay all sales or use tax that would have been due on the purchase or rental or use of the items listed in this exemption, plus any applicable penalty and interest imposed by statute.

e. For purposes of this subsection:

(1) "Data center" means a building rehabilitated or constructed to house a group of networked server computers in one physical location in order to centralize the storage, management, and dissemination of data and information pertaining to a particular business, taxonomy, or body of knowledge. A data center business's facility typically includes the mechanical and electrical systems, redundant or backup power supplies, redundant data communications connections, environmental controls, and fire suppression systems. A data center business's facility also includes a restricted access area employing advanced physical security measures such as video surveillance systems and card-based security or biometric security access systems.

(2) "Data center business" means an entity whose business among other businesses, is to operate a data center.

Sec. 198. Section 423.4, subsection 8, Code 2009, is amended to read as follows:

8. a. The owner of an ~~information technology facility~~ a data center business, as defined in

~~section 423.3, subsection 95, located in this state on July 1, 2007, and having a primary business with a North American industry classification system number 518210 or 541519 as verified by the department of economic development using nationally recognized third-party sources such as Hoovers, Harris Directory or others designated by the department of economic development, may make an annual application for up to five consecutive years to the department for the refund of fifty percent of the sales or use tax upon the sales price of all sales of fuel used in creating heat, power, and steam for processing or generating electrical current, or from the sale of electricity consumed by computers, machinery, or other equipment for operation of the technology data center business facility.~~

~~b. An information technology facility A data center business shall qualify for the refund in this subsection if all of the following criteria are met:~~

~~(1) The facility's six-digit North American industry classification system number 518210 or 541519 indicates that the facility is primarily engaged in providing computer-related services data center business shall make an investment in an Iowa physical location within the first three years of operation in Iowa beginning with the date on which the data center business initiates site preparation activities.~~

~~(2) The amount of the investment in an Iowa physical location, including the value of a lease agreement, or an investment in land or buildings, and the capital expenditures for computers, machinery, and other equipment used in the operation of the facility equals data center business shall equal at least one million dollars, but shall not exceed ten million dollars for a newly constructed building or five million dollars for a rehabilitated building.~~

~~(3) If the data center business is leasing a building to house operations, the data center business shall enter into a lease that is at least five years in duration.~~

~~(3) (4) The facility is certified as meeting the Leadership in Energy and Environmental Design (LEED) standards data center business shall comply with the sustainable design and construction standards established by the state building code commissioner pursuant to section 103A.8B.~~

~~c. The refund may be obtained only in the following manner and under the following conditions:~~

~~(1) The applicant shall use forms furnished by the department.~~

~~(2) The applicant shall separately list the amounts of sales and use tax paid during the reporting period.~~

~~(3) The applicant may request when the refund begins, but it must start on the first day of a month and proceed for a continuous twelve-month period.~~

~~d. In determining the amount to be refunded, if the dates of the utility billing or meter reading cycle for the sale or furnishing of metered gas and electricity are on or after the first day of the first month through the last day of the last month of the refund year, the full fifty percent of the amount of tax charged in the billings shall be refunded. In determining the amount to be refunded, if the dates of the sale or furnishing of fuel for purposes of commercial energy and the delivery of the fuel are on or after the first day of the first month through the last day of the last month of the refund year, the full fifty percent of the amount of tax charged in the billings shall be refunded.~~

~~e. To receive refunds during the five-year period, the applicant shall file a refund claim within three months after the end of each refund year.~~

~~f. The refund in this subsection applies only to state sales and use tax paid and does not apply to local option sales and services taxes imposed pursuant to chapters chapter 423B and 423E. Notwithstanding the state sales tax imposed in section 423.2, a refund issued pursuant to this section shall not exceed an amount equal to five percent of the sales price of the fuel used to create heat, power, and steam for processing or generating electrical current or from the sale price of electricity consumed by computers, machinery, or other equipment for operation of the data center business facility.~~

Sec. 199. Section 423.4, Code 2009, is amended by adding the following new subsection:

NEWSUBSECTION. 9. a. The owner of a data center business, as defined in section 423.3,

subsection 95, paragraph “e”, located in this state that is not eligible for the exemption under section 423.3, subsection 95, may make an annual application to the department for the refund of fifty percent of the sales or use tax upon all of the following:

(1) The sales price from the sale or rental of computers and equipment that are necessary for the maintenance and operation of a data center business and property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the data center business including but not limited to exterior dedicated business-owned substations, backup power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays, which are necessary for the maintenance and operation of the data center business.

(2) The sales price of backup power generation fuel that is purchased by a data center business for use in the items listed in subparagraph (1).

(3) The sales price of electricity purchased for use in providing data center services.

b. A data center business shall qualify for the partial refund in this subsection if all of the following criteria are met:

(1) The data center business shall have a physical location in the state which is at least five thousand square feet in size.

(2) The data center business shall make a minimum investment of at least ten million dollars, in the case of new construction, or at least five million dollars in the case of a rehabilitated building, in an Iowa physical location within the first six years of operation in Iowa, beginning with the date on which the data center business initiates site preparation activities. The minimum investment includes the initial investment, including the value of a lease agreement or the amount invested in land and subsequent acquisition of additional adjacent land and subsequent investment at the Iowa location.

(3) If the data center business is leasing a building to house operations, the data center business shall enter into a lease that is at least five years in duration.

(4) The data center business shall comply with the sustainable design and construction standards established by the state building code commissioner pursuant to section 103A.8B.

c. The refund allowed under this subsection shall be available for the following periods of time:

(1) For an investment of at least ten million dollars, in the case of new construction, or at least five million dollars, in the case of a rehabilitated building, but less than one hundred thirty-six million dollars, ten years.

(2) For an investment of at least one hundred thirty-six million dollars, but less than two hundred million dollars, seven years.

d. The refund may be obtained only in the following manner and under the following conditions:

(1) The applicant shall use forms furnished by the department.

(2) The applicant shall separately list the amounts of sales and use tax paid during the reporting period.

(3) The applicant may request when the refund begins, but it must start on the first day of a month and proceed for a continuous twelve-month period.

e. In determining the amount to be refunded, if the dates of the utility billing or meter reading cycle for the sale or furnishing of metered gas and electricity are on or after the first day of the first month through the last day of the last month of the refund year, fifty percent of the amount of tax charged in the billings shall be refunded. In determining the amount to be refunded, if the dates of the sale or furnishing of fuel for purposes of commercial energy and the delivery of the fuel are on or after the first day of the first month through the last day of the last month of the refund year, fifty percent of the amount of tax charged in the billings shall be refunded.

f. To receive refunds during the applicable refund period, the applicant shall file a refund claim within three months after the end of each refund year.

g. The refund in this subsection applies only to state sales and use tax paid and does not apply to local option sales and services taxes imposed pursuant to chapter 423B. Notwithstanding the state sales tax imposed in section 423.2, a refund issued pursuant to this section shall not exceed an amount equal to five percent of the sales price of the items listed in paragraph “a”, subparagraphs (1), (2), and (3).

Sec. 200. Section 427.1, Code 2009, is amended by adding the following new subsection: NEW SUBSECTION. 37. DATA CENTER BUSINESS PROPERTY.

a. Property, other than land and buildings and other improvements, that is utilized by a data center business as defined in and meeting the requirements of section 423.3, subsection 95, including computers and equipment that are necessary for the maintenance and operation of a data center business and other property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity, including but not limited to exterior dedicated business-owned substations, and power distribution systems which are not subject to assessment under chapter 437A; racking systems, cabling, and trays; and backup power generation systems, battery systems, and related infrastructure all of which are necessary for the maintenance and operation of the data center business.

b. This data center business exemption applies beginning with the assessment year the investment in or construction of the facility utilizing the materials, equipment, and systems set forth in paragraph “a” are first assessed.

Sec. 201. IMPLEMENTATION. Section 25B.7 does not apply to the property tax exemption enacted in this Act.⁵⁷

Sec. 202. APPLICABILITY DATE PROVISION. The sections of this Act⁵⁸ providing sales and use tax refunds apply to sales and use tax paid on or after July 1, 2009.

DIVISION XVI CONTRACTOR REGISTRATION

Sec. 203. Section 91C.4, Code 2009, is amended to read as follows:
91C.4 FEES

The labor commissioner shall prescribe the fee for registration, which fee shall not exceed ~~twenty-five~~ fifty dollars every ~~two years~~ year. ~~All fees collected shall be deposited in the general fund of the state.~~

Sec. 204. Section 91C.7, subsection 2, paragraph b, Code 2009, is amended to read as follows:

b. An out-of-state contractor may file a blanket bond in an amount at least equal to fifty thousand dollars for ~~the registration a two-year period established under section 91C.4~~ in lieu of filing an individual bond for each contract. The division of labor services of the department of workforce development may increase the bond amount after a hearing.

Sec. 205. NEW SECTION. 91C.9 REGISTRATION FUND.

1. A contractor registration revolving fund is created in the state treasury. The revolving fund shall be administered by the commissioner and shall consist of moneys collected by the commissioner as fees. The commissioner shall remit all fees collected pursuant to this chapter to the revolving fund. The moneys in the revolving fund are appropriated to and shall be used by the commissioner to pay the actual costs and expenses necessary to perform the duties of the commissioner and the division of labor⁵⁹ as described in this chapter. All salaries and expenses properly chargeable to the revolving fund shall be paid from the revolving fund.

2. Section 8.33 does not apply to any moneys in the revolving fund. Notwithstanding section

⁵⁷ According to enrolled Act; the phrase “enacted in this division of this Act” probably intended

⁵⁸ According to enrolled Act; the phrase “sections of this division of this Act” probably intended

⁵⁹ According to enrolled Act; the phrase “division of labor services” probably intended

12C.7, subsection 2, earnings or interest on moneys deposited in the fund shall be credited to the revolving fund.

Sec. 206. EMERGENCY RULES. The commissioner may adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the provisions of this Act amending chapter 91C, and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 207. REGISTRATION FUND — CASH FLOW. Notwithstanding contrary provisions of section 89.8, and of section 91C.9 as enacted in this Act, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the commissioner may allocate, for cash flow purposes, up to one hundred thousand dollars from moneys in the boiler and pressure vessel safety revolving fund created in section 89.8, to the contractor registration revolving fund created in section 91C.9 as enacted in this Act, provided that such moneys are returned to the boiler and pressure vessel safety revolving fund by June 30, 2010.

DIVISION XVII
CHILD CARE REGULATORY FEE

Sec. 208. NEW SECTION. 237A.4A CHILD CARE REGULATORY FEE — CHILD CARE FACILITY FUND.

1. a. The department shall implement a regulatory fee for licensure of child care facilities. The fee requirements shall provide for tiered amounts based upon a child care facility's capacity and a child development home's regulatory category at the time of licensure.

b. The regulatory fee for centers shall not exceed one hundred fifty dollars.

c. The regulatory fee for category "A" and "B" child development homes shall not exceed one hundred fifty dollars and the fee for category "C" child development homes shall not exceed one hundred eighty-seven dollars.

d. The department shall adopt rules for implementation of the fee.

2. Regulatory fees collected shall augment existing funding for regulation of child care facilities in order to phase in annual inspections of child development homes and improve inspections of child care centers. The department shall not supplant existing funding for regulation of child care with funding derived from the regulatory fee. The department shall seek to meet the following target percentages of the total number of child development homes in the state inspected annually in phasing in the annual inspection of all child development homes:

a. For the fiscal year beginning July 1, 2009, twenty percent.

b. For the fiscal year beginning July 1, 2010, forty percent.

c. For the fiscal year beginning July 1, 2011, sixty percent.

d. For the fiscal year beginning July 1, 2012, eighty percent.

e. For the fiscal year beginning July 1, 2013, and succeeding fiscal years, one hundred percent.

3. a. In phasing in the inspection of child development homes, the department shall give priority to child development homes that have recently become licensed and have paid the regulatory fee implemented pursuant to this section.

b. The results of an inspection of a child care facility shall be made publicly available on the internet page or site implemented by the department in accordance with section 237A.25 and through other means.

4. The target time frame for the department's issuance of the report concerning an inspection or other regulatory visit to a child care facility is sixty calendar days.

5. A child care facility fund is created in the state treasury under the authority of the department. The fund is separate from the general fund of the state. Regulatory fees collected under subsection 1 shall be credited to the fund. Moneys credited to the fund shall not revert to any other fund and are not subject to transfer except as specifically provided by law. Notwith-

standing section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund. Moneys in the fund are annually appropriated to the department to be used for staffing dedicated to monitoring and regulation of child care facilities, contracting, related technology costs, record checks, grants and fee waivers, and other expenses for inspection and regulation of child care facilities. Any full-time equivalent positions paid for out of the fund shall be in addition to other such positions authorized for the department.

Sec. 209. Section 237A.5, subsection 2, paragraphs b and c, Code 2009, are amended to read as follows:

b. If an individual person subject to a record check is being considered for employment by a child care facility or child care home provider, in lieu of requesting a record check in this state to be conducted by the department under paragraph "c", the child care facility or child care home may access the single contact repository established pursuant to section 135C.33 as necessary to conduct a criminal and child abuse record check of the individual in this state. A copy of the results of the record check conducted through the single contact repository shall also be provided to the department. If the record check indicates the individual is a person subject to an evaluation, the child care facility or child care home may request that the department perform an evaluation as provided in this subsection. Otherwise, the individual shall not be employed by the child care facility or child care home.

c. Unless a record check has already been conducted in accordance with paragraph "b", the department shall conduct a criminal and child abuse record check in this state for a person who is subject to a record check and may conduct such a check in other states. In addition, the department may conduct a dependent adult abuse, sex offender registry, or other public or civil offense record check in this state or in other states for a person who is subject to a record check.

cc. (1) For a person subject to a record check, in addition to any other record check conducted pursuant to this subsection, the person's fingerprints shall be provided to the department of public safety for submission through the state criminal history repository to the United States department of justice, federal bureau of investigation for a national criminal history check. The national criminal history check shall be repeated every four years.

(2) Except as otherwise provided by law, the cost of a national criminal history check conducted in accordance with subparagraph (1) and the state record checks conducted in accordance with paragraph "c" that are conducted in connection with a person's involvement with a child care center are not the responsibility of the department. The department is responsible for the cost of such checks conducted in connection with a person's involvement with a child development home or child care home.

(3) If record checks under paragraph "b" or "c" have been conducted on a person subject to a record check and the results do not warrant prohibition of the person's involvement with child care or otherwise present protective concerns, the person may be involved with child care on a provisional basis until the record check under subparagraph (1) has been completed.

(4) For the period beginning July 1, 2009, and ending June 30, 2013:

(a) The requirement in subparagraph (1) shall only apply to owners and employees of licensed child care centers and licensed child development homes and is applicable beginning on and after January 1, 2010, at the time of initial application for or renewal of a center's or home's license and the cost provisions of subparagraph (2) are applicable to owners and employees of centers beginning at the same time.

(b) Except for child development home providers who voluntarily license and are addressed by subparagraph division (a), and child development home providers participating in the child care quality rating system at a level under which national records checks are required in accordance with departmental rule, the national record check requirement in subparagraph (1) is not applicable in connection with a child development home or child care home throughout the period.

(c) This subparagraph (4) is repealed on July 1, 2013.

ccc. (1) If a record check performed pursuant to this paragraph subsection identifies an in-

dividual as a person subject to an evaluation, an evaluation shall be performed to determine whether prohibition of the person's involvement with child care is warranted. The evaluation shall be performed in accordance with procedures adopted for this purpose by the department.

(2) Prior to performing an evaluation, the department shall notify the affected person, licensee, registrant, or child care home applying for or receiving public funding for providing child care, that an evaluation will be conducted to determine whether prohibition of the person's involvement with child care is warranted.

Sec. 210. IMPLEMENTATION.

1. The department of human services shall adopt administrative rules to begin implementation of the regulatory fee authorized to be imposed by this division of this Act on or after January 1, 2010.

2. It is the intent of the general assembly to enact required licensure of child development homes commencing on July 1, 2013, and for the licensure requirement to provide exemptions for child care provided by a relative to only related children, a person providing before or after school child care without charge to only children of friends or neighbors, or a person providing child care to only children from a single unrelated family. Beginning on the effective date of this division of this Act, the department of human services shall begin transition activities for such implementation of child development home licensure. The transition activities may include all of the following:

a. Implementation of an ongoing public awareness campaign to inform child care providers and consumers of child care services of the intended licensure requirement.

b. Implementation of a voluntary child development home licensing program on or after July 1, 2010. The department shall adopt rules for the voluntary program. The rules may include but are not limited to provisions to limit the number of voluntary licensure applications accepted as necessary to limit related expenditures within the funding available. The rules shall address all qualification levels of providers who apply for licensure under the voluntary program. However, a precensure inspection shall not be required for initial licensure of a child development home provider who meets all of the following requirements:

(1) The provider's registration is in good standing at the time of application for a license.

(2) The provider has a rating of 3, 4, or 5 under the child care quality rating system implemented pursuant to section 237A.30 as of the application date. The provider must either maintain or achieve a higher rating, throughout the period of voluntary licensure.

(3) The provider has passed a registration compliance check by the department or achieved a rating specified in subparagraph (2) within the two-year period preceding the application date.

c. Any cost savings realized by the department during the transition period due to licensed child care centers or their employees assuming responsibility for the cost of required record checks in place of the department shall be transferred to the child care facility fund created by this division of this Act.

d. The department, in collaboration with representatives of the community empowerment initiative, the state child care advisory council, the early childhood Iowa council, child care providers active with the Iowa affiliate of the American federation of state, county, and municipal employees, and others involved with early care, shall develop a plan for creating sustainable funding sources to support home-based child care providers in meeting the intended child development home licensing requirement. The plan shall be submitted to the governor and general assembly on or before December 15, 2010.

DIVISION XVIII AUTOMOBILE RACETRACK FACILITIES

Sec. 211. Section 423.4, subsection 5, paragraph a, subparagraphs (2), (3), and (4), Code 2009, are amended to read as follows:

(2) "Change of control" means any of the following:

(a) Any change in the ownership of the original or any subsequent legal entity that is the owner or operator of the automobile racetrack facility such that ~~at least sixty~~ less than twenty-five percent of the equity interests in the legal entity ~~cease to be~~ is owned by individuals who are residents of Iowa, an Iowa corporation, or combination of both.

(b) The original owners of the legal entity that is the owner or operator of the automobile racetrack facility shall collectively cease to own ~~more than fifty~~ at least twenty-five percent of the voting equity interests of such legal entity ~~or shall otherwise cease to have effective control of such legal entity.~~

(3) "Iowa corporation" means a corporation incorporated under the laws of Iowa where at least ~~sixty~~ twenty-five percent of the corporation's equity interests are owned by individuals who are residents of Iowa.

(4) "Owner or operator" means a for-profit legal entity where at least ~~sixty~~ twenty-five percent of its equity interests are owned by individuals who are residents of Iowa, an Iowa corporation, or combination of both and that is the owner or operator of an automobile racetrack facility and is primarily a promoter of motor vehicle races.

Sec. 212. Section 423.4, subsection 5, paragraph c, subparagraph (4), Code 2009, is amended to read as follows:

(4) Notwithstanding subparagraph (3), the rebate of sales tax shall cease for transactions occurring on or after the date of the ~~sale or other transfer, whether voluntarily or involuntarily,~~ of the automobile racetrack facility to a party other than the original owner of the facility ~~or upon a change of control of such~~ the automobile racetrack facility.

DIVISION XIX
HUNTING

Sec. 213. Section 481A.21, Code 2009, is amended to read as follows:
481A.21 BIRDS AS TARGETS.

A person shall not keep or use any live pigeon or other bird as a target, to be shot at for amusement or as a test of skill in marksmanship, or shoot at a bird kept or used for such purpose, or be a party to such shooting, or lease any building, room, field, or premises, or knowingly permit the use thereof, for the purpose of such shooting. This section does not prevent any person from shooting at live pigeons, sparrows, and starlings when used in the training of hunting dogs. This section does not prevent any person from shooting at a bird that is released a minimum of fifty yards from that person on a licensed hunting preserve.

Sec. 214. Section 483A.1, subsection 2, paragraphs c, d, e, f, and g, Code 2009, are amended to read as follows:

c. Hunting license, eighteen years of age or older	\$ 80.00 <u>110.00</u>
d. Hunting license, under eighteen years of age	\$ 30.00
e. Deer hunting license, antlered or any sex deer	\$ 220.00 <u>295.00</u>
f. Deer hunting license, antlerless deer only, required with the purchase of an antlered or any sex deer hunting license	\$ 100.00 <u>125.00</u>
g. Deer hunting license, antlerless deer only	\$ 150.00 <u>225.00</u>

Sec. 215. Section 483A.1, subsection 2, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. gg. Holiday deer hunting license issued under section 483A.8, subsection 6, antlerless deer only \$ 75.00

Sec. 216. Section 483A.8, subsection 6, Code 2009, is amended to read as follows:

6. The commission shall provide by rule for the annual issuance to a nonresident of a nonresident antlerless deer hunting license that is valid for use only during the period beginning on December 24 and ending at sunset on January 2 of the following year, and costs fifty seventy-five dollars. A nonresident hunting deer with a license issued under this subsection shall be otherwise qualified to hunt deer in this state and shall have a nonresident hunting license, pay the wildlife habitat fee, and pay the one dollar fee for the purpose of deer herd population management as provided in subsection 3. Pursuant to this subsection, the commission shall make available for issuance only the remaining nonresident antlerless deer hunting licenses allocated under subsection 3 that have not yet been issued for the current year's nonresident antlerless deer hunting seasons.

Sec. 217. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XX NONPROFIT YOUTH ATHLETIC GROUPS

Sec. 218. Section 423.3, subsection 78, Code 2009, is amended to read as follows:

78. a. The sales price from sales or rental of tangible personal property, or services rendered by any entity where the profits from the sales or rental of the tangible personal property, or services rendered, are used by or donated to a nonprofit entity which that is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code, a government entity, or a nonprofit private educational institution, and where the entire proceeds from the sales, rental, or services are expended for any of the following purposes:

a. (1) Educational.

b. (2) Religious.

e. (3) Charitable. A charitable act is an act done out of goodwill, benevolence, and a desire to add to or to improve the good of humankind in general or any class or portion of humankind, with no pecuniary profit inuring to the person performing the service or giving the gift.

b. For purposes of this exemption, an organization that meets the requirements of paragraph "a" and which is created for the sole or primary purpose of providing athletic activities to youth shall be considered created for an educational purpose.

c. This exemption does not apply to the sales price from games of skill, games of chance, raffles, and bingo games as defined in chapter 99B. This exemption is disallowed on the amount of the sales price only to the extent the profits from the sales, rental, or services are not used by or donated to the appropriate entity and expended for educational, religious, or charitable purposes.

Sec. 219. REFUNDS. Refunds of taxes, interest, or penalties which arise from claims resulting from the provisions of this division of this Act enacting section 423.3, subsection 78, new paragraph "b", for the sales price from sales or rental of tangible personal property, or services occurring between July 1, 1998, and the effective date of section 423.3, subsection 78, new paragraph "b", shall be limited to fifty thousand dollars in the aggregate and shall not be allowed unless refund claims are filed prior to October 1, 2009, notwithstanding any other provision of law. If the amount of claims totals more than fifty thousand dollars in the aggregate, the department of revenue shall prorate the fifty thousand dollars among all claimants in relation to the amounts of the claimants' valid claims.

Sec. 220. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. The section of this division of this Act amending section 423.3, subsection 78, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1998.

DIVISION XXI
MAGISTRATES

Sec. 221. Section 602.6401, subsection 4, Code 2009, is amended to read as follows:

4. By March of each year in which magistrates' terms expire, the state court administrator shall give notice to the clerks of the district court and to the chief judges of the judicial districts of the number of magistrates to which each county is entitled. If the state court administrator does not give the notice as required in this subsection by March of each year in which magistrates' terms expire, the existing magistrate apportionment in effect shall remain in effect through the succeeding magistrates' terms, and any apportionment performed pursuant to subsection 2 is void until such succeeding terms expire.

Sec. 222. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. This division of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 2009, to void any apportionment for which notice was not given by March of 2009.

DIVISION XXII
METHANE GAS CONVERSION PROPERTY

Sec. 223. Section 427.1, subsection 29, paragraph a, Code 2009, is amended to read as follows:

a. For purposes of this subsection, "methane gas conversion property" means personal property, real property, and improvements to real property, and machinery, equipment, and computers assessed as real property pursuant to section 427A.1, subsection 1, paragraphs "e" and "j", used in an operation ~~connected with, or in conjunction with, a publicly owned sanitary landfill to decompose waste and convert the waste to gas,~~ to collect methane gas or other gases produced as a by-product of waste decomposition and to convert the gas to energy, or to collect waste ~~that would otherwise be collected by, or deposited with, a publicly owned sanitary landfill~~ in order to decompose the waste to produce methane gas or other gases and to convert the gas to energy. ~~However, property used to decompose the waste and convert the waste to gas is not eligible for this exemption.~~

Sec. 224. Section 427.1, subsection 29, Code 2009, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. With respect to methane gas conversion property other than that used in an operation connected with, or in conjunction with, a publicly owned sanitary landfill, the exemption pursuant to this subsection shall be limited to property originally placed in operation on or after January 1, 2008, and on or before December 31, 2012, and shall be available for the ten-year period following the date the property was originally placed in operation.

Sec. 225. Section 437A.6, subsection 1, paragraph d, Code 2009, is amended to read as follows:

d. Methane gas conversion property subject to section 427.1, subsection 29, to the extent the property is used in connection with, or in conjunction with, a publicly owned sanitary landfill or used to collect waste that would otherwise be collected by, or deposited with, a publicly owned sanitary landfill.

Sec. 226. IMPLEMENTATION. Section 25B.7 does not apply to the property tax exemption amended in this division of this Act.

Sec. 227. EFFECTIVE AND APPLICABILITY DATES. This division of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to assessment years beginning on or after January 1, 2008. Notwithstanding section 427.1, subsection 29, paragraph "c", claims for exemption for the 2008 and 2009 assessment years shall be filed with the appropriate assessing authority on or before June 30, 2009.

DIVISION XXIII
CITY FRANCHISE FEES AND CITY UTILITIES

Sec. 228. Section 364.2, subsection 4, paragraph f, Code 2009, is amended to read as follows:

f. A franchise fee assessed by a city may be based upon a percentage of gross revenues generated from sales of the franchisee within the city not to exceed five percent, without regard to the city's cost of inspecting, supervising, and otherwise regulating the franchise. Franchise fees collected pursuant to an ordinance in effect on the effective date of this division of this Act shall be deposited in the city's general fund and such fees collected in excess of the amounts necessary to inspect, supervise, and otherwise regulate the franchise may be used by the city for any other purpose authorized by law. Franchise fees collected pursuant to an ordinance that is adopted or amended on or after the effective date of this division of this Act to increase the percentage rate at which franchise fees are assessed shall be credited to the franchise fee account within the city's general fund and used pursuant to section 384.3A. If a city franchise fee is assessed to customers of a franchise, the fee shall not be assessed to the city as a customer. Before a city adopts or amends a franchise fee rate ordinance or franchise ordinance to increase the percentage rate at which franchise fees are assessed, a revenue purpose statement shall be prepared specifying the purpose or purposes for which the revenue collected from the increased rate will be expended. If property tax relief is listed as a purpose, the revenue purpose statement shall also include information regarding the amount of the property tax relief to be provided with revenue collected from the increased rate. The revenue purpose statement shall be published as provided in section 362.3.

Sec. 229. Section 364.3, Code 2009, is amended by adding the following new subsection:
NEW SUBSECTION. 10. A city which operates a utility that furnishes gas or electricity shall manage the right-of-way on a competitively neutral and nondiscriminatory basis. Such city utility shall be required to pay the fees and charges computed in the same manner as those fees and charges which are imposed by the city upon any other provider of a similar service within the corporate boundaries of the city. Such city utility shall also comply with the terms of the franchise granted by the city to the provider of a similar service. This subsection shall not be construed to prohibit the city utility from making transfers of surplus as otherwise allowed or from making in-kind contributions as otherwise allowed. However, a city shall not require that transfers from the city utility be in excess of the franchise fee amount imposed upon the provider of a similar service unless otherwise agreed.

Sec. 230. NEW SECTION. 384.3A FRANCHISE FEE ACCOUNT — USE OF FRANCHISE FEE REVENUES.

1. A city that assesses a franchise fee pursuant to an ordinance that is adopted or amended on or after the effective date of this division of this Act to increase the percentage rate at which franchise fees are assessed under section 364.2, subsection 4, paragraph "f", shall establish a franchise fee account within the city's general fund. All revenues collected by a city pursuant to such an ordinance shall be deposited in the account. Interest earned on revenues deposited in the account shall remain in the account and be used for the purposes specified in this section. Moneys in the account are not subject to transfer to any other accounts in the city's general fund or to any other funds established by a city unless such transfer is for a purpose specified in this section.

2. Moneys in the account shall be used for the purposes of inspecting, supervising, and otherwise regulating each franchise approved by the city.

3. Moneys in the account in excess of the amount necessary for the purposes specified in subsection 2 shall be expended for any of the following:

- a. Property tax relief.
- b. The repair, remediation, restoration, cleanup, replacement, and improvement of existing public improvements and other publicly owned property, buildings, and facilities.
- c. Projects designed to prevent or mitigate future disasters as defined in section 29C.2.
- d. Energy conservation measures for low-income homeowners, low-income energy assistance programs, and weatherization programs.
- e. Public safety, including the equipping of fire, police, emergency services, sanitation, street, and civil defense departments.
- f. The establishment, construction, reconstruction, repair, equipping, remodeling, and extension of public works, public utilities, and public transportation systems.
- g. The construction, reconstruction, or repair of streets, highways, bridges, sidewalks, pedestrian underpasses and overpasses, street lighting fixtures, and public grounds, and the acquisition of real estate needed for such purposes.
- h. Property tax abatements, building permit fee abatements, and abatement of other fees for property damaged by a disaster as defined in section 29C.2.
- i. Economic development activities and projects.

Sec. 231. **EFFECTIVE DATE.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XXIV REPORTS OF REFUND CLAIMS

Sec. 232. Section 15.335, Code 2009, is amended by adding the following new subsection:
NEW SUBSECTION. 6. The department of revenue shall by February 15 of each year issue an annual report to the general assembly containing the total amount of all claims made by employers under this section, and the portion of the claims issued as refunds, for all claims processed during the previous calendar year*, *beginning with claims filed on or after January 1, 2009**. The report shall contain the name of each claimant for whom a tax credit in excess of five hundred thousand dollars was issued and the amount of the credit received.

Sec. 233. Section 422.10, Code 2009, is amended by adding the following new subsection:
NEW SUBSECTION. 6. The department shall by February 15 of each year issue an annual report to the general assembly containing the total amount of all claims made by employers under this section and the portion of the claims issued as refunds, for all claims processed during the previous calendar year*, *beginning with claims filed on or after January 1, 2009.** The report shall contain the name of each claimant for whom a tax credit in excess of five hundred thousand dollars was issued and the amount of the credit received.

Sec. 234. Section 422.33, Code 2009, subsection 5, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. The department shall by February 15 of each year issue an annual report to the general assembly containing the total amount of all claims made by employers under this subsection and the portion of the claims issued as refunds, for all claims processed during the previous calendar year*, *beginning with claims filed on or after January 1, 2009.** The report shall contain the name of each claimant for whom a tax credit in excess of five hundred thousand dollars was issued and the amount of the credit received.

Approved May 26, 2009, with exceptions noted.

CHESTER J. CULVER, Governor

* Item veto; see message at end of the Act

Dear Mr. Secretary:

I hereby transmit Senate File 478, an Act relating to state and local finances by providing for funding of property tax credits and reimbursements, by making, increasing, and reducing appropriations, providing for salaries and compensation of state employees, providing for matters relating to tax credits, providing for fees and penalties, and providing for properly related matters and including effective date and retroactive and other applicability provisions. Senate File 478 is approved on this date, with the exceptions noted below, which I hereby disapprove.

I am unable to approve Section 21 of Senate File 478 in its entirety because this section requires the Department of Administrative Services to perform a job evaluation study of state employees for the purpose of determining whether the job classifications and pay grade levels are properly determined. The Department is to perform this study by randomly selecting state employees but was given no additional funding for such a study. Currently, the Department has in place a system of review to determine if an employee is properly classified, in which an employee can make a request for such a review. Pay grade reviews are handled through the collective bargaining process and should not be included in a random survey.

I am unable to approve the designated portions of lettered paragraph c and numbered paragraph 3 of Section 27 of Senate File 478 in their entirety. Lettered paragraph c requires notification of the Legislative Council before any reduction is made of supervisory positions. This notification has not been required before and is an imposition upon Executive Branch functions. Numbered paragraph 3 requires the Department of Management to report on out-of-state travel. The Legislative Services Agency has access to all of the accounting data that flows through centralized accounting, Executive Council minutes, along with the power to request additional information from those agencies that do not use centralized accounting and; therefore, should be able to generate the type of reports asked for in this section. Further, while I agree that in difficult economic times special attention should be given to the issue of eliminating unnecessary travel, I am approaching this issue in a matter that differs from the approach taken in this section. Accordingly, I have issued Executive Order Thirteen⁶⁰ to require the Department of Administrative Services (DAS) to implement a policy that will require every executive department of the Culver-Judge Administration to institute cost-effective and transparent practices that will track reimbursements paid to state employees for meals, travel and other work-related costs.

I am unable to approve Section 78 of Senate File 478 in its entirety. This section provides that a person whose license has been revoked for an operating while intoxicated (OWI) test failure after a prior OWI revocation for one year may apply after 45 days for a temporary restricted license to be issued by the Court. It is my understanding that this language was based on earlier information from the Iowa Department of Transportation that it would be in compliance with federal requirements. Further review now shows that this section will threaten the state's compliance with federal requirements for repeat offender laws.

I am unable to approve Section 134 of this bill in its entirety. This language would eliminate the tax credit to employers for purchasing assistive technology that allows them to employ persons with disabilities. This is not the time during this economic downturn to eliminate assistance for helping employers hire persons with disabilities, and I strongly encourage employers to use this tax credit.

I am unable to approve the designated portion of the first sentence of Section 232, numbered paragraph 6, the designated portion of the first sentence of Section 233, numbered paragraph 6 and the designated portion of the first sentence of Section 234, lettered paragraph h of Senate File 478. These sections require the Department of Revenue to issue an annual report naming claimants of the research activities tax credit that receive refunds in amounts that exceed \$500,000. I strongly support transparency in government and understand the worthy intent

⁶⁰ Published in IAB, Vol. XXXII, No. 5, (8/26/09), p. 596

of this provision, but I am concerned that the requirement that would have applied retroactively to tax returns filed on or after January 1, 2009 might be questionably written, might arguably affect taxpayers' due process rights and might, therefore, have opened the way to a lengthy court challenge. Because this is a retroactive tax reporting change, I cannot let such an alteration in longstanding tax policy affect taxpayers that have already legally filed tax returns. Therefore, I am unable to approve the retroactive language.

For the above reasons, I respectfully disapprove the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in Senate File 478 are hereby approved this date.

Sincerely,
CHESTER J. CULVER, Governor

CHAPTER 180

APPROPRIATIONS — TRANSPORTATION

H.F. 805

AN ACT relating to and making transportation and other infrastructure-related appropriations to the department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. ROAD USE TAXFUND. There is appropriated from the road use tax fund created in section 312.1 to the department of transportation for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For the payment of costs associated with the production of driver's licenses, as defined in section 321.1, subsection 20A:

	\$ 3,714,000
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Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for subsequent fiscal years for the purposes specified in this subsection.
- 2. For salaries, support, maintenance, and miscellaneous purposes:
 - a. Operations:

	\$ 6,654,962
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 - b. Planning:

	\$ 506,127
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 - c. Motor vehicles:

	\$ 36,752,012
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- 3. For payments to the department of administrative services for utility services:

	\$ 225,000
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- 4. Unemployment compensation:

	\$ 7,000
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